ACT Government

Annual Report 2025–26

City and Environment Directorate

The ACT Government acknowledges the Ngunnawal people as Traditional Custodians of the ACT and recognises any other people or families with connection to the lands of the ACT and region.

The City and Environment Directorate acknowledges the Ngunnawal people as Traditional Custodians of the ACT and surrounding region and recognises any other people or families with connection to the lands of the ACT and region.

We respect the Aboriginal and Torres Strait Islander people, particularly our Aboriginal and Torres Strait Islander team members, and their continuing culture and contribution to the Canberra region and the life of our city.

About this report

The Directorate used Microsoft Copilot as an assistive tool to support the summarisation and initial editing of information prepared by subject matter experts and responsible business areas. Copilot was used to help identify key themes, improve readability and present information in a concise, outcomes-focused format. All source content, analysis, performance information, findings and reporting judgements were developed, reviewed and approved by Directorate employees.

Contact for this report

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Freedom of Information

Freedom of information requests can be made by emailing: **CEDFOI@act.gov.au**

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Information about the Directorate and an electronic version of this annual report can be found on the website: https://www.cityservices.act.gov.au/about-us/annual_report

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Foreword

When you're watching from the grandstand, you might judge a game's outcome by the final score. Often it's the glamorous side of attacking plays we remember – the no-look-flick-pass, the intercept try or the miracle chip-and-chase. We don't always notice the hard work that goes on behind the scenes. A focus on the small things. Relentless training. Getting the fundamentals right. The basics.

The interesting thing is we notice when those things aren't done well. Dropped catches, fumbles, being out of position, missed tackles.

Working in the City and Environment team isn't quite like a game of rugby league. We don't always have a scoreboard telling us when a bus arrives on time, a road is repaired, an oval is greener or a neighbourhood feels more connected.

But it's why we exist.

We're here to get the basics right – to shape a great city experience for the people of Canberra. Every day, our team members work to deliver connected services, support a liveable city and help create a thriving environment. Whether we're keeping Canberra moving, enabling new housing, maintaining the places people love or protecting our environment, our focus is on making the systems that support everyday life work well – and work together.

This annual report tells the story behind the scoreboard. It reflects the work of thousands of small contributions that, together, make a difference for Canberrans. I'm proud of what we've achieved this year and grateful to our team members and everyone who works alongside us as we continue to shape Canberra's future.

After all, if nobody really notices that the bus turns up on time, the park is maintained or the streetlight works, there's a good chance we've done our job well.

Dave Peffer
Director-General
City and Environment Directorate

Section A

Transmittal Certificate, Compliance Statement, and Acronyms and Abbreviations

A1 Transmittal certificate

ACT Government
City and Environment

Mr Andrew Barr
Chief Minister

Ms Tara Cheyne
Minister for City and Government Services
Minister for Transport

Mr Chris Steel
Minister for Planning and Sustainable Development
Minister for Sport and Recreation
Minister for Heritage

Ms Suzanne Orr
Minister for Housing and Homelessness
Minister for Climate Change, Environment, Energy and Water

Ms Marisa Paterson
Minister for Gaming Reform

Mr Michael Pettersson
Minister for Arts, Creative Industries and the Night-time Economy

Dear Ministers

2025–26 City and Environment Directorate (CED) Annual Report

The CED Annual Report has been prepared in accordance with section 6(1) of the *Annual Reports (Government Agencies) Act 2004*, requirements of the Annual Reports Directions, and other legislation applicable to the preparation of CED's Annual Report 2025–26.

I certify that the information in the report and information provided for whole-of-government reporting, is an honest and accurate account and that all material information on the operations of CED has been included for the period 1 July 2025 to 30 June 2026.

I hereby certify that fraud prevention has been managed in accordance with the Public Sector Management Standards 2006 (repealed), Part 2.3 (see section 113, Public Sector Management Standards 2016). For the purposes of section B6 of the Annual Reports Directions, I certify that integrity risk has been assessed and that treatments to address those risks have been incorporated into CED's fraud and corruption prevention plan.

Section 13 of the Annual Reports Act requires that you present the annual report to the Legislative Assembly within 15 weeks after the end of the reporting year.

Yours sincerely

Dave Peffer
Director-General
04 September 2026

A2 Compliance Statement

The City and Environment Directorate (CED) must comply with the Annual Report Directions (the Directions) made under section 8 of the *Annual Reports (Government Agencies) Act 2004*. The Directions are found at the ACT Legislation Register: **www.legislation.act.gov.au**.

The Compliance Statement indicates the subsections, under Parts 1 to 5 of the Directions, that are applicable to CED and the location of information that satisfies these requirements.

Part 1 Directions overview

The requirements under Part 1 of the Directions relate to the purpose, timing and distribution and records keeping of annual reports. The CED Annual Report complies with all subsections of Part 1 under the Directions.

To meet Section 15 Feedback, Part 1 of the Directions, contact details for CED are provided at the beginning of the CED Annual Report to provide readers with the opportunity to provide feedback.

Part 2 Reporting entity annual report requirements

The requirements within Part 2 of the Directions are mandatory for all reporting entities. CED complies with all subsections. The information that satisfies the requirements of Part 2 is found in the annual report as follows:

A. Transmittal Certificate – see the previous page.

B. Organisational Overview and Performance, inclusive of all subsections and 2 subsections from Part 4 – see the Organisational Overview and Performance, and Entity Specific Reporting section.

C. Financial Management Reporting, inclusive of all subsections – see Financial Management Reporting section.

Part 3 Reporting by exception

CED had no information to report by exception under Part 3 of the Directions.

Part 4 Annual report requirements for specific reporting entities

The following subsections of Part 4 of the Directions are applicable to CED and can be found within the annual report.

- Ministerial and Director-General Directions:
  - Directions given under the *Planning Act 2023* are reported in the Chief Planner's Annual Report – see the report in the Annexed Report section.
  - Directions given under the *Nature Conservation Act 2014* are reported in the Conservator of Flora and Fauna's Annual Report – see the report in the Annexed Report section.
- Public Land Management Plans – see section B16.
- *Urban Forest Act 2023* reporting – see section B17.

Part 5 Whole-of-government annual reporting

All subsections of Part 5 of the Directions apply to CED. Consistent with the Directions, the information satisfying these requirements is reported in the one place for all ACT Public Service (ACTPS) directorates as follows:

- Bushfire Risk Management – see the annual report of the Justice and Community Safety Directorate.
- Human Rights – see the annual report of the Justice and Community Safety Directorate.
- Legal Services Directions – see the annual report of the Justice and Community Safety Directorate.
- Territory Records – see the annual report of the Chief Minister, Treasury and Economic Development Directorate.

Part 6 State of the Service Report

See the annual State of the Service Report.

ACT Public Service Directorate annual reports are found at the following web address: https://www.act.gov.au/open/annual-reports.

A3 Acronyms and Abbreviations

A list of frequently appearing acronyms and abbreviations is given below.

ACT	Australian Capital Territory
ACTPS	ACT Public Service
BCA	Building Code of Australia
CCA	Cemeteries and Crematoria Authority
CED	City and Environment Directorate
CLS	Capital Linen Service
CMTEDD	Chief Minister, Treasury and Economic Development Directorate
DA	Development application
DNCCC	Dhawura Ngunnawal Caring for Country Committee
EIS	Environmental impact statement
EPA	Environment Protection Authority
EPSDD	Environment, Planning and Sustainable Development Directorate
EV/HEV/ZEV	Electric Vehicle/Hybrid Electric Vehicle/Zero Emissions Vehicle
LMA	Land Management Agreement
LVC	Lease variation charge
MMHR	Missing Middle Housing Reform
MPA	Major Plan Amendment
NRM	Natural Resource Management
OCSE	Office of the Commissioner for Sustainability and the Environment
PCS	Parks and Conservation Service
RAP	Reconciliation Action Plan
TCCS	Transport Canberra and City Services Directorate
TCO	Transport Canberra Operations
WHS	Work Health and Safety

Section B

Organisational Overview and Performance, and Entity Specific Reporting

B1 Organisational Overview

The City and Environment Directorate (CED) was formed on 1 July 2025 through the merger of Access Canberra and the Better Regulation Team from the Chief Minister, Treasury and Economic Development Directorate (CMTEDD), the former Environment, Planning and Sustainable Development Directorate (EPSDD), and the former Transport Canberra and City Services Directorate (TCCS). The Heritage Library function transferred from TCCS to CMTEDD.

Under the Administrative Arrangements 2025 (No 2), effective from 1 January 2026, responsibility for affordable and community housing policy, housing strategy and policy, suburban land development and the Suburban Land Agency moved to CED. Consequently, the Affordable Housing Policy Coordination Branch moved from CMTEDD to CED and was included in the newly established Homes and Land Supply Branch.

The Suburban Land Agency is an independent agency within the CED portfolio.

CED consolidated its output classes from 9 to 5, in line with the organisational realignment and ACT Government priorities.

Vision, purpose and values

We exist to shape a great city experience, with a vision of connected services, a liveable city and a thriving environment.

Our purpose is to bring together CED's core functions: planning, transport, regulatory services and city services. When our systems work together, Canberra moves smarter, grows stronger, and delivers better outcomes for the community and environment.

Our people underpin our purpose. How we organise ourselves, and design and approach our work, will determine whether we deliver on our vision.

Our values are consistent with ACT Public Service values: respect, integrity, collaboration and innovation.

Strategic objectives

CED set the following 7 objectives.

Strategic Objective 1: Empower and invest in our people

Strategic Objective 2: Implement urban planning that prioritises access to housing

Strategic Objective 3: Deliver a connected, safe and accessible transport network

Strategic Objective 4: Deliver high quality city services that matter

Strategic Objective 5: Provide efficient regulatory services for community and business

Strategic Objective 6: Support climate resilience and a healthy environment

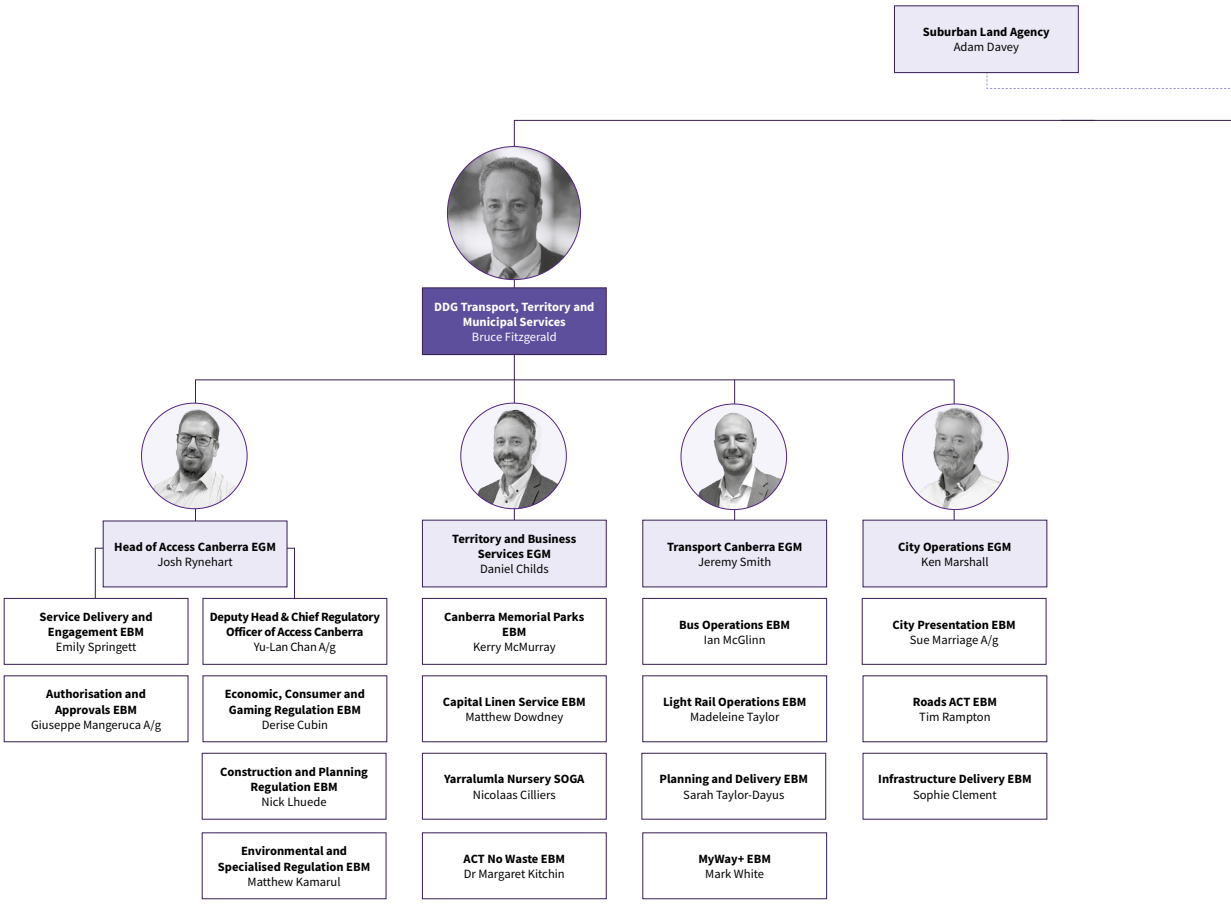
Strategic Objective 7: Deliver Closing the Gap priority reforms to improve outcomes for the Ngunnawal and ACT First Nations communities

Internal accountability

CED organisational structure as at 30 June 2026

ACT Government
City and Environment

City and Environment Directorate



Director-General
Dave Peffer

Commissioner for Sustainability and the Environment
Ashley Bunce

DDG Environment, Planning and Policy
Sam Engele

First Nations Community Engagement

Strategic Finance and Business Operations EGM
Helen Stoddart

- **Chief Financial Officer EBM** — Andrew Pedersen
- **Procurement and Business Operations EBM** — Craig Weller

Chief Operating Officer EGM
Lisa Johnson

- **People, Safety and Culture EBM** — Jaime Elton
- **Governance, Ministerial and Coordination EBM** — Phil Gritti
- **Communications EBM** — Alex Magee
- **A/g Chief Information Officer EBM** — Veronica Morados
- **Data, Projects and Improvement EBM** — Jodie Vaile
- **ACTGS Practice Leader - CED Legal** — Madelin Bayer

Chief Planner/Statutory Planning EGM
George Cilliers

- **Statutory Assessments EBM** — Alix Kaucz
- **Development Solutions EBM** — Caitlin Bladin

Policy, Planning and Built Environment EGM
Ben Green

- **Strategic Planning, Transport and Policy EBM** — Freya O'Brien
- **Building, Design and Development EBM** — James Bennett
- **Homes and Land Supply EBM** — Liz Hall
- **Strategic Policy and Legislation EBM** — Kirra Cox

Climate Change, Energy, Water and Waste EGM
Fiona Wright

- **Climate Change, Energy and Waste Policy EBM** — Bethel Sendaba
- **Climate Change and Energy Programs EBM** — Ros Malouf
- **Office of Water EBM** — Kieran Lawton

Environment, Heritage and Parks EGM
Bren Burkevics

- **Parks and Conservation Service EBM** — Dr Rosie Cooney
- **ACT Heritage**
- **Office of Nature Conservation**
- **Environment Protection, Biosecurity and Rural Services**
- **Natural Resource Policy and Programs**
- **Group Business Planning and Coordination**
- **Office of the Conservator of Flora and Fauna**

Director-General – Dave Peffer

The Director-General provides overall strategic leadership of the Directorate, ensuring alignment with Government priorities and setting organisational direction. The Director-General is accountable for governance, performance and delivery of outcomes across all functional areas. As a member of the ACTPS Strategic Board, the Director-General represents CED at the whole-of-government level and provides advice and reporting to each of CED's ministers.

Deputy Director-General Transport, Territory and Municipal Services – Bruce Fitzgerald

The Deputy Director-General leads the Transport, City Operations and Municipal Services Division, overseeing the delivery of essential public services and infrastructure. This role includes responsibility for transport systems, city presentation, roads, waste services and operational programs that directly impact the community. The role ensures efficient service delivery, operational outcomes and coordination across functions to meet customer needs and support a well-functioning city.

Deputy Director-General Environment, Planning and Policy – Sam Engele

The Deputy Director-General leads environment, planning and policy functions, driving sustainable development, environmental stewardship and strategic land-use planning. The role is responsible for developing and implementing policies, regulatory frameworks and programs that balance growth with environmental protection. The role ensures integrated planning outcomes, evidence-based decision-making and alignment with long-term sustainability and economic objectives across the Directorate. The Deputy Director-General also serves as the Coordinator-General for Housing.

Executive Remuneration Tribunal

The ACT Remuneration Tribunal is an independent statutory body with responsibility for setting the remuneration, allowances and entitlements for public officials in the ACT Government including CED senior executives.

Further information can be found at the **ACT Remuneration Tribunal**.

Significant committees

The following significant committees operated in CED during 2025–26.

Senior Executive Group

The Senior Executive Group within CED comprises the Director-General, Deputy Directors-General, Chief Operating Officer and Executive Group Manager, Strategic Finance and Business Operations. The group provides collective leadership on strategic direction, performance oversight and organisational priorities.

Executive Leadership Group

The Executive Leadership Group is the CED senior leaders' key forum. It comprises the Director-General, Deputy Directors-General and Executive Group Managers. The group enables alignment between policy, planning and service delivery functions, strengthens organisational cohesion and promotes shared accountability for achieving Directorate outcomes.

Audit Committee

The Audit Committee provides independent advice to the Director-General on the effectiveness of risk management, internal controls, compliance and governance.

Refer to **Section B5 – Internal Audit** for more information.

Policy Alignment Forum

The Policy Alignment Forum is a cross functional advisory forum that supports the coordination of policy work across the Directorate. It brings together representatives from policy, planning and operational areas to ensure advice to Ministers is aligned with the strategic objectives of Government and, where applicable, is implementable by the Directorate's operational areas. The forum facilitates collaboration, early issue identification and shared understanding of policy impacts, enabling more coherent and effective policy development, implementation and advice to senior decision makers.

Operational Alignment Forum

The Operational Alignment Forum is a structured, recurring forum across Transport, Territory and Municipal Services and the Parks and Conservation Service to collaboratively address service delivery challenges, align initiatives with strategic objectives and improve outcomes for Canberra residents. The forum's focus is ensuring operational efforts are integrated, efficient and responsive to emerging priorities and issues. It provides a platform for information sharing, resolving cross functional challenges and monitoring implementation progress, enabling consistent execution of plans and improving overall service outcomes through coordinated, practical collaboration.

Directorate Consultative Committee

The Directorate Consultative Committee is a forum for consultation between employees and unions. It meets quarterly to promote cooperation, improve communication, encourage greater productivity and job satisfaction and provide input into workplace and employment matters for employees at all levels. The committee operates with formal terms of reference agreed between the Directorate and the unions and under the provisions of the relevant enterprise agreements.

Work Health and Safety Steering Committee

The committee provides strategic leadership on health, safety, wellbeing and risk across CED. It supports communication, consultation and reporting to ensure effective management and legislative compliance under the *Work Health and Safety Act 2011*. It meets quarterly.

Refer to **Section B13 – Work Health and Safety** for more information.

Wanggirali First Nations Steering Committee

Wanggirali is a Ngunnawal language word meaning 'Listen; to give attention to someone or something in order to hear him, her, or it'. The name reflects the importance of listening and learning from each other and from Country.

The CED First Nations Steering Committee (Wanggirali) was established to guide and oversee the work of CED under the ACT Aboriginal and Torres Strait Islander Agreement 2019–2028 and the National Agreement on Closing the Gap where CED holds implementation responsibilities. The committee's role is to ensure First Nations voices, leadership and lived experience guide meaningful outcomes and genuine progress to Closing the Gap. The committee includes First Nations representatives and senior leaders and team members from across CED. The ACT Aboriginal and Torres Strait Islander Elected Body member for CED is a member of the committee.

2025–26 Performance Highlights

In 2025–26, CED delivered outcomes for the Canberra community by providing high-quality municipal services, enhancing public spaces and infrastructure, protecting the environment and supporting sustainable city growth. CED focused on delivering efficient services, progressing strategic initiatives and creating a city that is connected, resilient and environmentally sustainable. The following performance highlights demonstrate the breadth of just some of CED's many contributions to improving the quality of life for Canberrans and achieving the Government's strategic objectives.

1. Work progressed on the Minister's Statement of Planning Priorities 2025–2028, such as planning for more housing near high frequency transport stops and commercial centres.
2. Through the Affordable Housing Project Fund, affordable housing projects progressed across Canberra, successfully executing funding deeds for 4 developments that will deliver 177 affordable rental homes.
3. The Housing Supply and Land Release Program 2026–27 to 2030–31 program set out a clear, forward-looking pipeline to increase housing supply, including land releases to support close to 26,000 new homes across Canberra over the next 5 years.
4. The Clubs Concierge Service was established to provide clubs with a single point of contact for planning and land development matters, including advice on proposed (re)development opportunities.
5. Night-time economy reforms continued to progress, including reviewing the City Centre Entertainment Precinct, extending liquor licence fee reductions, declaring more special events and continuing free 30-minute access to loading zones for musicians unloading equipment.
6. Increased service frequency and reliability of buses was delivered across key routes to improve accessibility and respond to growing patronage demand. Reliability and punctuality of light rail services continued to increase, resulting in increased public trust and usage including attendance at major events.
7. Continued enhancements to the MyWay+ digital ticketing system were delivered to improve usability, reliability and the overall customer experience across the public transport network.
8. With a battery electric bus fleet of 106 vehicles, CED accelerated its transition to a zero emission public transport network by retiring 37 compressed natural gas buses and transitioning Woden Depot to a fully battery electric commuter fleet.
9. Roads ACT continued its delivery of the Strategic Road Maintenance Program and upgrades and maintenance of community paths, streetlights and stormwater infrastructure.
10. City Services continued to enhance the look and feel of the City, and maintained a high level of community satisfaction in municipal service delivery, from mowing, weeding, litter picking and graffiti removal to looking after the stormwater network, urban forest and sportsgrounds.
11. Access Canberra finalised its Regulatory Strategy and focussed on embedding a new structure and governance following the Machinery of Government changes to focus on improved outcomes for the community, and the thousands of interactions with Access Canberra every year.
12. CED continued to oversee compliance of the Container Deposit Scheme. More than 74 million eligible containers were returned in 2025–26.
13. The Capital Linen Service processed more than 6.4 million kilograms of linen, equating to approximately 13.65 million individual linen items. Service performance remained strong, with 99.9% of customer linen orders delivered in full across all customer categories.

14. The Yarralumla Nursery was a finalist for Employer of the Year at the Nursery and Garden Industry NSW and ACT 2025 Awards. The nursery supplied 2,579 plants to 161 new Canberra homes and approximately 900,000 flower bulbs and annuals for the 2025 Floriade festival.

15. CED supported developing the ACT Climate Change Strategy 2026–36. The Strategy is an overarching framework for 2026–36. It highlights work already underway and identifies gaps and opportunities across major themes.

16. The ACT's Zero Emissions Vehicles Strategy 2022–30 continued to support uptake of zero emissions vehicles and reduce transport emissions. Electric vehicle (EV) registrations increased significantly in 2026, with EVs making up 43% of new vehicle sales in June 2026 and 25% of all new vehicle registrations across 2025–26.

17. More than 5,200 household engagements with sustainability initiatives were supported. CED completed the final year of the $50 million Home Energy Support Program and delivered 501 public housing insulation upgrades and 1,200 gas-to-electric appliance upgrades across 1,018 social housing properties.

18. Preparedness for High Pathogenicity Avian Influenza (H5N1) continued to be strengthened through surveillance, biosecurity planning, wildlife management and cross-government collaboration. A dedicated H5N1 Working Group was established to coordinate preparedness activities and ensure a One Health approach across Government agencies, industry and environmental stakeholders.

19. Community partnerships through environmental volunteering, forums, grants and engagement programs were strengthened. More than 200 local volunteers attended the 2025 ACT Environmental Volunteers Conference, with respondents giving an average rating of 4.2 out of 5. The ParkCare Annual Survey reported high satisfaction, with 91% satisfied with their volunteer experience and 94% feeling safe and supported.

20. Work to renew the ACT's nature conservation policy progressed through the Nature Conservation Act review and development of the new Nature Conservation Strategy.

2026–27 Outlook and priorities

CED is focused on delivering government priorities through integrating our systems and making it easier for the community to interact with us. The Directorate will be open to smarter ways of working, with a focus on impact rather than activity.

CED will focus on key services that matter most to Canberrans: environment and green space, maintaining our beautiful and liveable city, enabling housing and delivering a well-functioning multimodal transport system.

The Directorate's priorities are included in the 2026–27 Budget Statement, available **here**.

B2 Performance Analysis

Strategic Objective 1: Empower and invest in our people

The Directorate is committed to attracting, promoting and retaining people with the right skills and behaviours to deliver on our vision and Government priorities. Our leaders empower team members to engage with risk and make decisions. We acknowledge we'll make mistakes sometimes and we will be upfront about that and learn from it. Our leaders actively support teams to collaborate across team boundaries, and we take safety seriously. We support a workplace where diversity is valued and everyone feels a sense of belonging.

Strategic Indicator 1: A good place to work

In the 2025 ACTPS Employee Survey, 71% of CED employees who participated in the survey indicated they would recommend the Directorate as a good place to work. The survey took place only a few months after CED was formed. This result reflects generally positive perceptions of the then newly formed organisation, consistent with broader survey findings on engagement, inclusion and job satisfaction. We have a target of consistently achieving 80% or more of employees who participate in future surveys agreeing or strongly agreeing CED is a good place to work.

B13 and B14 provide more information on work health and safety and people initiatives across CED.

Strategic Objective 2: Implement urban planning that prioritises access to housing

CED operates a planning system that aims to provide timely decisions and achieve well designed, livable and sustainable urban outcomes. CED is being proactive in integrating land use, infrastructure and transport planning across government. This ensures there are quality homes with easy access to jobs, nature, community facilities and public transport.

Strategic Indicator 2: Improved access to housing

The Directorate progressed actions to enable 30,000 new homes by 2030, including delivery of 5,000 public, community and affordable rental homes.

Key initiatives included implementing the Affordable Housing Project Fund, supporting community housing providers, releasing the Housing Supply and Land Release Program, progressing Missing Middle Housing Reforms, streamlining planning and development approval processes, and delivering construction productivity reforms. These initiatives will reduce barriers, accelerate housing delivery and increase housing choice across Canberra.

Output Class 1: Planning and Policy

The Directorate made progress in improving access to housing through a coordinated program of planning reform, housing investment, land release and development process improvements.

This included:

- advancing the Minister's Statement of Planning Priorities 2025–28, which focuses on increasing housing supply near high-frequency public transport, commercial centres and employment hubs
- enabling more diverse housing options
- supporting delivery of social and affordable housing.

The **Housing Supply and Land Release Program 2026–31** established a pipeline to support almost 26,000 new homes over 5 years.

Opportunities continued to be explored for additional housing in well-connected locations through transit-oriented development planning, commercial centre studies and future land-use investigations, as well as urban renewal initiatives such as Section 76 Watson.

Infrastructure capacity studies and integrated land use planning were also undertaken to ensure future housing growth is supported by appropriate transport, services and community infrastructure.

Social and affordable housing programs were delivered to support housing affordability and choice, including:

- progression of the ACT Housing Strategy Implementation Plan
- implementation of the Affordable Housing Project Fund
- support for community housing providers through grants and land tax concessions
- negotiations with the Australian Government on housing and housing-enabling infrastructure initiatives.

Funding agreements were executed to deliver 177 affordable rental homes across Turner, Curtin and Taylor, alongside specialist supported housing and innovative housing models such as rent-to-buy and **Demonstration Housing** projects.

Significant planning reforms were advanced through the Missing Middle Housing Reforms and Planning (Missing Middle Housing) Amendment Bill 2026, increasing opportunities for low-rise medium-density housing in established suburbs while reducing regulatory barriers.

Internal initiatives focussed on improving the Planning System were progressed through the Development and Planning Process Reset, establishment of the Development Solutions Branch and the new eDevelopment platform. These initiatives are aimed at streamlining planning approvals and increasing throughput of approvals while reducing the inventory of proposals to be assessed.

Strategic Objective 3: Deliver a connected, safe and accessible transport network

CED continues to expand its integrated transport network to enable seamless movement between modes of travel, offering people choice in how, when and where they travel, regardless of location, background or physical ability. This is achieved through connected public transport, safe and efficient roads and high-quality walking and cycling environments and paths. We're committed to improving accessibility, convenience, and the appeal of public transport while reducing emissions.

Strategic Indicator 3: Public transport service reliability

Transport Canberra maintained strong performance against Strategic Indicator 3 in 2025–26, keeping cancelled trips well below the 1% target. Performance remained stable, with no significant increase in service disruptions.

Continued focus on workforce stability, including successful driver recruitment and retention, supported reliable service delivery and consistent network availability for customers.

The percentage of cancelled trips measured was 0.19%. The percentage of incomplete trips is not reported due to the transition to the new ticketing system.

Output Class 2: Transport Canberra

The Directorate continued to strengthen Canberra's public transport network through investments in service reliability, safety, accessibility and future network capacity.

Reliability and punctuality of the Canberra Light Rail network improved, supporting increased patronage and confidence in public transport, while continued collaboration on Light Rail Stage 2A helped progress Canberra's future north–south mass transit spine.

Enhancements to the MyWay+ digital ticketing system improved usability, payment functionality and system reliability.

Service frequency and reliability improvements across key bus routes reduced wait times, strengthened community connectivity and responded to growing demand. Improvements were supported by ongoing workforce recruitment and capability development.

The Directorate progressed strategic transport planning through implementation of the Canberra Strategic Transport Model 2.1, updated Transport Impact Assessment Guidelines and planning initiatives that better integrate future transport, land use and infrastructure needs.

A strong focus was maintained on safety and sustainability. Expanded deployment of transit enforcement officers, enhanced de-escalation training and the rollout of driver safety screens improved safety for passengers and frontline staff, strengthened incident response capability and increased customer confidence across the network. The ACT Road Safety Framework 2026–31 established a long-term approach to reducing road trauma, supported by targeted road safety upgrades, the Black Spot Program and improved road safety analytics.

Roads ACT delivered over 1.18 million square metres of preventative road maintenance across the Territory, improving road condition, safety and network performance. Active travel improvements also commenced with community path audits and prioritisation of upgrades, among other active travel initiatives such as the Garden City cycleway.

Significant progress was made towards a zero emissions public transport network, with 106 battery electric buses now in service, the transition of Woden Depot to a fully electric commuter bus fleet, the removal of 37 CNG buses, and major charging infrastructure upgraded at Tuggeranong Depot.

Strategic Objective 4: Deliver high-quality city services that matter

CED delivers a range of city services including waste and recycling collection, graffiti removal, mowing and the maintenance of urban trees, roads, paths and public open spaces. It also oversees playground and shopping centre upgrades.

CED also operates ACT Government businesses such as Capital Linen Service and Yarralumla Nursery and provides oversight of the Territory's cemeteries and crematoria. These services help maintain vibrant parks and neighbourhoods, strengthen community connection and ensure Canberra remains a great place to live and work.

Strategic Indicator 4: Community satisfaction with city services

CED aims to maintain a community satisfaction rate with city services of 85%. Community satisfaction with city services was 79% in 2025–26 for services such as mowing, playground maintenance, the road network, footpaths and management of sportsgrounds. Ongoing pressures from rapid population growth, climate variability and increased service demand influenced satisfaction levels in some areas. High rainfall and temperatures in March 2026 led to late season grass growth and mowing demands. CED continued to respond to increasing demand for city services, for example, by extending the mowing season to the end of May to manage the mowing backlog.

Output Class 3: Territory and Municipal Services

City Services continued to deliver essential services to support Canberra's liveability, safety and environmental resilience. Parks, roadsides, public spaces, playgrounds, sportsgrounds, roads and stormwater assets were maintained to ensure they remained safe and fit for purpose.

CED oversees the urban forest, and in 2025-26 managed over 853,000 public trees, planted 7,575 new trees. CED maintained 533 playgrounds and supported 39,173 bookings across sports facilities. These services contributed to community wellbeing, active recreation, urban cooling, biodiversity and stronger neighbourhood connections.

Volunteer programs strengthened community stewardship and promoted culturally inclusive public spaces. Over 120 volunteer groups were supported.

Service delivery occurred against a backdrop of climate variability, population growth, ageing assets, increasing graffiti and illegal dumping, and development pressures. Over 42,000 hectares were mown, along with weeding, litter collection and graffiti removal across the City. Around 25,000m^2 of paths/paving were replaced, and more than 3,500 streetlight lamps were upgraded.

CED also progressed infrastructure, waste and sustainability initiatives that delivered benefits for both the community and the Territory:

- The suburban infrastructure program improved transport connectivity, road safety, active travel opportunities and access to community facilities. The program included shopping centre upgrades, playground improvements, active travel infrastructure and sport and recreation facilities, as well as road safety projects.
- Waste and recycling services advanced circular economy outcomes through resource recovery, landfill diversion and community education, while planning progressed for future recycling infrastructure and organics-processing.
- Capital Linen Service maintained critical support for the ACT health system through highly reliable service delivery, while improving environmental performance through energy, water and asset efficiency initiatives.
- Yarralumla Nursery supported urban forest growth, environmental sustainability and climate resilience through increased plant production and innovative, low-chemical growing practices.

Strategic Objective 5: Provide efficient regulatory services for community and business

Access Canberra is the main gateway for individuals and businesses to connect with government services and is responsible for monitoring, education, engagement and enforcement activities across more than 110 pieces of legislation.

The Directorate has consolidated most of its regulatory functions within Access Canberra to improve coordination and establish a streamlined and consistent way of achieving regulatory outcomes.

New functions for Access Canberra included Libraries ACT and Domestic Animal Services from 1 July 2025, and regulation of waste services, nature conservation and Public Unleased Land from 2 February 2026. The Directorate has brought regulatory functions under one group to improve coordination across teams, and establish a streamlined, efficient and cost-effective way of working.

CED exercises its regulatory roles through a risk-based, evidence-informed approach. By implementing the Regulatory Strategy (2026–2029), we aim to improve the wellbeing of the ACT community through strengthening trust in government institutions, reducing regulatory complexity, and supporting a safer, and more sustainable city.

Strategic Indicator 5: Easy to deal with the ACT Government

Access Canberra is a key interface between the ACT Government and the community, with a Canberran engaging with Access Canberra every 5 seconds and a regulatory decision made every 18 seconds.

Our Access Canberra service and contact centres play a critical role in delivering community support, information and services, forming a central point of engagement between government and the community. They serve the community by providing accessible, responsive and trusted channels to navigate government services.

The overall ease of interacting with the ACT Government has remained steady, with 86% of customers and business clients reporting it was ‘easy’ or ‘very easy’ to deal with Access Canberra in 2025–26 against the target of 90% and the previous year’s result of 84%.

Output Class 4: Access Canberra

Access Canberra strengthened the delivery of customer, regulatory and community services through the introduction of a lifecycle-based regulatory model and a new Regulatory Strategy focused on proportionate, risk-based and collaborative regulation. The model brought together authorisation, engagement, compliance and customer services, improving coordination and service delivery across government.

Strong customer demand was supported through more than 398,000 service centre transactions, 297,726 contact centre calls, and more than 27,500 enquiries and complaints. Digital service improvements streamlined licensing, registrations and certificate services.

Key regulatory functions including land titles, Working with Vulnerable People registrations, professional engineer registrations, liquor licensing, public land approvals and transport licensing supported economic activity, community participation and public confidence while maintaining appropriate safeguards. Regulatory compliance, risk assessments and targeted enforcement activities helped protect vulnerable people, strengthen consumer protections and support fair, safe and well-regulated industries.

Continued growth in service demand, regulatory complexity and the need to balance efficient service delivery with strong regulatory oversight required ongoing investment in digital systems, regulatory capability and integrated service models.

Access Canberra delivered important social, community and safety outcomes:

- Libraries ACT recorded more than 1.6 million visits and 70,000 program attendances, supporting literacy, lifelong learning, social inclusion and community connection. Service reforms, digital upgrades and the implementation of recommendations from the Independent Working Group strengthened the sustainability, accessibility and responsiveness of library services.
- Across animal welfare and domestic animal management proactive education, compliance and enforcement activities contributed to animal welfare outcomes and safer communities.
- Transport regulation contributed to road safety outcomes and the overall road transport network.
- The Working with Vulnerable People scheme continued to protect children and vulnerable people through ongoing monitoring, assessments and regulatory action where risks were identified.
- Fair Trading and compliance programs supported consumer confidence and market integrity, while coordinated enforcement activities disrupted illicit tobacco and vape trade.

For more information on services managed by Access Canberra, please refer to the Annexed Reports for:

- ACT Architects Board
- ACT Construction Occupations Registrar
- Animal Welfare Advisory Committee
- Environment Protection Authority.

Strategic Objective 6: Support climate resilience and a healthy environment

The Directorate manages and protects the ACT's environment across land, water and climate to ensure the wellbeing of the community. CED supports a city where people enjoy clean air, healthy waterways and thriving green spaces. By leading responsible stewardship of our environment, CED provides a safe and liveable community and demonstrates commitment to current and future generations.

Strategic Indicator 6: Climate resilient environment and community

The ACT Greenhouse Gas Inventory for 2024–25, published in December 2025, showed the Territory's emissions were 47% lower than the 1990 baseline. Total greenhouse gas emissions were 1,658 kilotonnes of carbon dioxide equivalent. While the ACT did not meet its 2025 interim target of a 50–60% reduction from 1989–90 levels, total emissions were 1.5% lower compared to the prior reporting year. On a per capita basis, emissions declined to 3.4 tCO_2 per person, down 69% from the baseline. Revisions to data in the industrial processes and product use category and restated land use, land use change and forestry data account for some of the target shortfall. Transport remains the largest source of emissions at 62% of total emissions.

Output Class 5: Environment and Climate Change

The ACT Government continued to make progress towards a more sustainable, climate-resilient and low-emissions future. A new ACT Climate Change Strategy was developed and released in July 2026.

Electric vehicle uptake continued to grow, with EVs accounting for 25% of new vehicle registrations during 2025–26, supported by community education programs and expanded charging infrastructure.

Energy programs helped households transition from gas to efficient electric appliances, improve home comfort and reduce energy costs, particularly for low-income and vulnerable households.

Work progressed to strengthen climate adaptation through urban heat mapping, community resilience initiatives, water efficiency programs and research to better understand climate risks.

The ACT Government also invested in environmental protection, community participation and long-term sustainability.

- Programs supporting businesses, schools and apartment residents encouraged more efficient use of energy, water and resources, helping reduce costs and emissions while building capability across the community.
- Waterway initiatives, stormwater pollution reduction measures and water efficiency upgrades improved environmental outcomes and strengthened resilience to drought and climate pressures.
- Bushfire preparedness, conservation activities and biosecurity planning enhanced community safety and protection of natural assets.
- Improvements to parks, reserves, recreational trails and heritage programs increased access to natural and cultural places while supporting tourism, recreation and community wellbeing.
- Strong partnerships with volunteers, schools, community organisations and environmental groups helped build community stewardship and participation.

Challenges remain in reducing emissions, adapting to a changing climate and protecting natural environments. However, ongoing investment in evidence-based planning, community engagement and practical sustainability initiatives is strengthening long-term environmental, social and economic outcomes for the ACT.

Strategic Objective 7: Deliver Closing the Gap priority reforms to improve outcomes for the Ngunnawal and ACT First Nations communities

CED is undertaking a range of actions that contribute to Closing the Gap and improving outcomes for the Ngunnawal and ACT First Nations communities. More information can be found in section B9.

Strategic indicator 7.1: Increase Traditional Custodians' role in decision making

The measure for this indicator is intended to be shared decisions between CED and the Dhawura Ngunnawal Caring for Country Committee (DNCCC). The DNCCC did not meet during 2025–26 while an independent review was undertaken. It is anticipated the committee will be reinstituted during 2026–27.

Significant progress was made in relation to shared decision making for Boomanulla Oval, and transitioning the Oval to community control. More information is available in section B9.

Strategic Indicator 7.2: Improve cultural integrity in the Directorate

As at 30 June 2026, all CED Senior Executive Service (SES) members had cultural integrity embedded within their performance agreements. There is an ongoing target that this stays at 100% across CED.

Refer to Section B9 – Aboriginal and Torres Strait Islander Reporting for further information.

B3 Scrutiny

Auditor-General reports

Table B3.1 – *Report No. 1 of 2024 – Urban Tree Management*

Government Response

Recommendation no. and summary	Status and action
Recommendation 1: Reviewing the Preferred Tree Species List **Agreed** TCCS should: a) finalise the 'Living Labs' trial, which seeks to assess the performance of new 'climate-ready' tree species in Canberra; and b) update Municipal Infrastructure Standard 25: Plant species for urban landscapes based on the results of the trial.	**In progress** A comprehensive update of the Municipal Infrastructure Standard 25: Plant species for urban landscape projects is underway and includes a review of the preferred tree species list. The updated document will be published on the City Services website in November 2026. No new learnings on 'climate ready' tree species were gained from the Living Labs trial; however, the inappropriateness of several species not listed in MIS 25 was confirmed.
Recommendation 3: MOU with Yarralumla Nursery **Agreed** TCCS should finalise the Memorandum of Understanding between the Urban Treescapes unit and the Yarralumla Nursery for the production and delivery of tree seedlings for the planting programs. The MOU should clearly document expectations for the production and supply of seedlings for future planting programs.	**Complete** The Memorandum of Understanding between Urban Treescapes and Yarralumla Nursery has been finalised.
Recommendation 4: Tree Management and Planting Policies **Agreed** TCCS should: a) finalise the Tree Management Policy and Tree Planting Policy; and in doing so b) articulate how its urban tree management activities (including its urban tree planting activities) will contribute to the achievement of the 30% canopy cover goal.	**In progress** A Tree Management Policy outlining Urban Treescapes' core urban tree management policies is currently in draft form. The policy includes the tree planting policy and will directly link to the tree sourcing, tree planting and marking up, watering and other young tree care procedures that support this. The policy supports the management, planning, maintenance, associated advice and decision making (where applicable) on trees across Canberra's urban footprint and provides governance on Urban Treescapes' activities as an entity, guiding operations to meet the objectives outlined in the Urban Forest Strategy (including 30% canopy cover by 2045).
Recommendation 5: Policy and Procedural Guidance **Agreed** TCCS should review and finalise its policy and procedural guidance for urban tree management.	**In progress** A draft Tree Management Policy outlining Urban Treescapes core urban tree management principles, policies and procedures is being developed, as noted against recommendation 4. A service handbook with an overview of the Urban Treescapes team including structure, roles and responsibilities, team processes and referencing all other supporting material including policy, registers and forms has been developed.

Recommendation no. and summary	Status and action
Recommendation 9: Strategic Tree Replacement Program **Agreed** TCCS should develop and implement a strategic tree replacement program that focuses on: a) identifying mature trees at risk; and b) planning for the end-of-life removal and replacement of those trees.	**Complete** A Mature Tree Asset Renewal Plan has been written to guide proactive remediation, removal and replacement of mature trees. The results from the Vegetation Condition Index and the Urban Forest Condition Report were audited via ground-based assessments in early 2026. Unfortunately, systemic issues in this singular multispectral imagery to correctly identify tree species and health condition were found. Future detailed strategic plans will be developed on a district/project level as field assessments are undertaken in line with the priorities identified in the Mature Tree Asset Renewal Plan. Future multispectral imagery would help to quantify changes in condition over time.
Recommendation 10: Data Quality Controls **Agreed** TCCS should strengthen data quality controls for the use of Salesforce for urban tree activities by: a) providing additional training to staff and contractors on its use; and b) developing quick guides on different system functions.	**Complete** Procedures are in place to guide the collection and management of data in Urban Treescapes' core urban tree management databases, including Salesforce and ArcGIS, Filed Maps.
Recommendation 11: Public Reporting of Achievements **Agreed** TCCS should improve its public reporting on tree planting numbers and achievement against the canopy cover target by including data on tree survival rates and cumulative planting numbers in suburbs with low canopy coverage that are vulnerable to urban heat.	**In progress** The Directorate is navigating the complexities of security breach issues for public displayed mapping through ArcGIS Online and possible workarounds, as well as determining the most suitable display of imagery to present data in a clean and easily digestible format.

Table B3.2 – *Report No 5 of 2021 – Management of Closed-Circuit Television Systems Government Response*

Recommendation no. and summary	Status and action
Recommendation 1: CCTV System Purpose and Objectives **Agreed** The Transport Canberra and City Services Directorate should identify and document the purpose and objectives of its specific CCTV systems.	**Complete** The TCCS CCTV Guidelines updates were approved in September 2021. The updated guidelines identify and document the purpose and objectives of the Directorate's CCTV systems under Section 3 of the policy. This recommendation was considered implemented and closed through internal Audit Committee processes. This item is included in the 2025–26 Scrutiny Reporting for CED to acknowledge its continued reference in the ACT Audit Office's Performance Audit Recommendations Observations (2025) – 2021 Performance Audits report and to formally close the reporting loop.

Recommendation no. and summary	Status and action
Recommendation 4: Transport Canberra and City Services Directorate Closed Circuit Television Guidelines **Agreed** The Transport Canberra and City Services Directorate should review and update its Closed Circuit Television Guidelines. In doing so, the Directorate should ensure that roles and responsibilities for the management and operation of the directorate's CCTV systems are accurately documented.	**Complete** The TCCS CCTV Guidelines updates were approved in September 2021. The updated guidelines clearly describe the roles and responsibilities for the management and operation of TCCS' CCTV systems under Section 2.1 Roles and Responsibilities. This recommendation was considered implemented and closed through Internal Audit Committee processes. This item is included in the 2025–26 Scrutiny Reporting for CED to acknowledge its continued reference in the ACT Audit Office's Performance Audit Recommendations Observations (2025) – 2021 Performance Audits report and to formally close the reporting loop.
Recommendation 5: Destruction of CCTV Camera Data on Board Buses **Agreed in principle** The Transport Canberra and City Services Directorate should develop a practice for the destruction of CCTV camera data on board buses 30 days after its capture.	**Complete** To address the risk identified in the interim, the frame rates have been changed to adhere to the 30-day requirement of stored footage. After a 30-day period buses will automatically rewrite over old footage, which will no longer be available for download. All new fleet will be supplied with 4 terabyte hard drives for capture of footage at full frame rates, with code written into the program to not exceed 30 days. This recommendation was considered implemented and closed through Internal Audit Committee processes. This item is included in the 2025–26 Scrutiny Reporting for CED to acknowledge its continued reference in the ACT Audit Office's Performance Audit Recommendations Observations (2025) – 2021 Performance Audits report and to formally close the reporting loop.
Recommendation 6: Staff Training and Development **Agreed** The Transport Canberra and City Services Directorate and Justice and Community Safety Directorate should formalise staff induction and training requirements for the management of CCTV systems. This should include the identification and documentation of formal training requirements through training plans and maintaining training records for all staff that are involved in the operation of CCTV systems.	**Complete** Security and Emergency Management have developed a consistent training package for CCTV users which leverages off vendor supplied eLearning modules that are complemented by guidance notes. This training has been communicated to managers, who have been asked to update staff performance and development plans to include the need to complete the training where applicable. Identified staff have been provided a link to the TCCS CCTV Guidelines and guidance notes. This recommendation was considered implemented and closed through Internal Audit Committee processes. This item is included in the 2025–26 Scrutiny Reporting for CED to acknowledge its continued reference in the ACT Audit Office's Performance Audit Recommendations Observations (2025) – 2021 Performance Audits report and to formally close the reporting loop.

Table B3.3 – *Report No. 01 of 2021 – Land Management Agreements*

Government Response

Recommendation no. and summary	Status and action
Recommendation 4: Documentation and Record-Keeping **Noted** The Environment, Planning and Sustainable Development Directorate should develop and implement policy and procedural guidance for the documentation and record-keeping of Land Management Agreements. The guidance should include principles for the consistent documentation of processes associated with the development of Agreements with rural leaseholders.	**No longer required** The recommendation was noted in the Government response, indicating that no further action was required by the Directorate at the time. This recommendation has not been previously reported in annual scrutiny reporting because it was 'noted' in the Government response. The Annual Report Directions requires reporting for agreed or agreed in principle recommendations. It is included in the 2025–26 Scrutiny Reporting for CED to acknowledge that the item continues to be referenced in the ACT Audit Office's Performance Audit Recommendations Observations (2025) – 2021 Performance Audits report. The underlying matter was addressed at the time of the original audit response, and no further action is required.
Recommendation 5: Land Management Agreement Detail **Noted** The Environment, Planning and Sustainable Development Directorate should identify and prescribe a minimum level of detail for Land Management Agreements that fosters their use as an active and ongoing land management tool. The minimum level of detail should identify specific actions and outcomes that facilitate the monitoring and enforcement of compliance with Agreements by rural leaseholders.	**No longer required** The recommendation was noted in the Government response, indicating that no further action was required by the Directorate at the time. This recommendation has not been previously reported in annual scrutiny reporting because it was 'noted' in the Government response. The Annual Report Directions requires reporting for agreed or agreed in principle recommendations. It is included in the 2025–26 Scrutiny Reporting for CED to acknowledge that the item continues to be referenced in the ACT Audit Office's Performance Audit Recommendations Observations (2025) – 2021 Performance Audits report. The underlying matter was addressed at the time of the original audit response, and no further action is required.

Table B3.4 – *Report No. 7 of 2022 – ACT Childhood Healthy Eating and Active Living Programs* **Government Response**

Recommendation no. and summary	Status and action
Recommendation 4: Evaluating school active travel programs **Agreed** The Transport Canberra and City Services Directorate should, as part of its forthcoming evaluation of school active travel programs, review the impact of the programs on different cohorts of children, including the most disadvantaged and at-risk student cohorts. As part of the evaluation, the Directorate should measure the number of children travelling actively to school, both before and after program interventions.	**Complete** The School Active Travel program's evaluation has been finalised. A School Active Travel program evaluation review was undertaken and incorporated primary data collection including: • online surveys completed by 1,039 students from 17 schools, 880 parents/carers from 67 schools and 16 teachers • pedestrian count and traffic volume data collected from 25 schools to match data collected in 2017 and 2019. The recommendations from this report will be considered for application to the program in the future. This recommendation was considered implemented and closed through Internal Audit Committee processes. This item is included in the 2025–26 Scrutiny Reporting for CED to acknowledge its continued reference in the ACT Audit Office's Performance Audit Recommendations Observations (2025) – 2022 Performance Audits report and to formally close the reporting loop.
Recommendation 5: School Crossing Supervisors **Agreed in principle** If the School Crossing Supervisors program is continued beyond 2022, then the Transport Canberra and City Services Directorate should: a) review allocation of school crossing supervisors to crossings and schools; and b) publish information about the allocation process and selection criteria.	**Complete** A review of the School Active Travel program has been undertaken, with recommendations to be applied to the program in the future, including those relating to the allocation of school crossing supervisors in the context of the specific infrastructure needs of schools. Information about the allocation process and selection criteria has been published on the Transport Canberra website. This recommendation was considered implemented and closed through Internal Audit Committee processes. This item is included in the 2025–26 Scrutiny Reporting for CED to acknowledge its continued reference in the ACT Audit Office's Performance Audit Recommendations Observations (2025) – 2022 Performance Audits report and to formally close the reporting loop.

Table B3.5 – *Report No. 2 of 2022 – Fraud Prevention*

Government Response

Recommendation no. and summary	Status and action
Recommendation 3: Mandatory reporting of conflicts of interest **Agreed** Where not already in place, ACT Government agencies should require all recruitment panel members to complete a conflict of interest declaration form when taking part in a recruitment process, including that they have no known actual or potential conflicts of interest.	**No longer required** The recommendation was agreed in the Government response, with implementation to occur through a whole-of-government approach. CMTEDD has previously advised through its annual reporting that this action has been completed. As a result, no further Directorate specific action has been required. This item is included in the 2025–26 Scrutiny Reporting for CED to acknowledge its continued reference in the ACT Audit Office's Performance Audit Recommendations Observations (2025) – 2022 Performance Audits report and to formally close the reporting loop.
Recommendation 4: Fraud and corruption induction training **Agreed** Where not already in place, ACT Government agencies should: a) provide mandatory induction training about the nature and risks of fraud and corruption and relevant ACT Public Service and agency policies. The training should be delivered with reference to examples and scenarios relevant to the business of the agency; and b) keep timely and accurate records of the number of staff completing the mandatory induction training.	**No longer required** The recommendation was agreed in the Government response, with implementation to occur through a whole of government approach. CMTEDD has previously advised through its annual reporting that this action has been completed. As a result, no further Directorate specific action has been required. This item is included in the 2025–26 Scrutiny Reporting for CED to acknowledge its continued reference in the ACT Audit Office's Performance Audit Recommendations Observations (2025) – 2022 Performance Audits report and to formally close the reporting loop.
Recommendation 5: Agency staff surveys **Agreed in principle** Where not already in place, ACT Government agencies should undertake staff surveys that collect information about the level of staff awareness of their fraud and corruption reporting obligations and the reporting channels they should use, as well as staff perceptions of the integrity of agency senior leadership. This information should be used to benchmark staff awareness levels and inform priorities for fraud and corruption prevention activities.	**No longer required** The recommendation was agreed in principle in the Government response. The response explicitly identified challenges in committing to the recommendation and did not commit to implementing staff surveys as described. Instead, other mechanisms to support staff awareness of fraud and corruption reporting obligations were identified. As no specific action was committed in the Government response, no further action has been required by the Directorate. This item is included in the 2025–26 Scrutiny Reporting for CED to acknowledge its continued reference in the ACT Audit Office's Performance Audit Recommendations Observations (2025) – 2022 Performance Audits report and to formally close the reporting loop.

Table B3.6 – *Report No. 7 of 2024 – Reusable Facility Services Procurement*

Government Response

Recommendation no. and summary	Status and action
Recommendation 1: Low and Zero-Dollar Value Procurements **Agreed** When conducting low or zero-dollar procurements, ACT Government agencies should: a) ensure that the principles of value for money are effectively recognised and addressed in procurement documentation, including the Evaluation Plan; and b) ensure that the value for money evaluation process is clearly outlined in the procurement documentation provided to potential respondents, so that potential respondents understand how value for money will be considered for the particular procurement.	**No longer required** The recommendation was agreed with implementation to occur through a whole-of-government approach, with responsibility for development of the relevant guidance resting with the lead directorate. The then Transport Canberra and City Services Directorate (TCCS) indicated it would circulate the finalised whole-of-government documentation to agencies once available. As TCCS was not responsible for development or release of the guidance, circulation was contingent on completion and authorisation by the responsible directorate. No further action is required by the City and Environment Directorate. This item is included in the 2025–26 Scrutiny Reporting for CED to acknowledge its continued reference in the ACT Audit Office's Performance Audit Recommendations Observations (2025) – 2024 Performance Audits report and to formally close the reporting loop.

Legislative Assembly reports

Table B3.7 – *Standing Committee on Planning, Transport and City Services Report No 10 – Inquiry into Annual and Financial Reports 2020–21*

Government Response

Recommendation no. and summary	Status and action
Recommendation 21 **Agreed in Principle** The Committee recommends the ACT Government consider reviewing data disclosure in TCCS annual reporting and recommends utilisation levels for Canberra's public transport system be more transparent and include monthly boarding numbers for both ACTION Bus services and for Canberra Metro services in either graphic or numerical form.	**In progress** Transport Canberra is working with its service provider to restore public transport data reports on the ACT Open Data Portal. This work will also enhance Transport Canberra's capability to provide more nuanced datasets and support accurate, reliable inclusion of public transport data in annual reporting. Transport Canberra has published 2025–26 boarding data on the website as an interim measure, available at: https://www.transport.act.gov.au/planning-for-the-future

Table B3.8 – *Standing Committee on Planning, Transport and City Services – Report 14 – Inquiry into Annual and Financial Reports 2021–22*

Government Response

Recommendation no. and summary	Status and action
Recommendation 9 **Agreed in principle** The Committee recommends that the ACT Government require end-of-life reuse and recycling for electric bus batteries, just as solar panels will be recycled for the Big Canberra Battery.	**In progress** Transport Canberra continued to investigate second-life options. This is subject to contractual arrangements with the suppliers of battery electric buses. Transport Canberra's current experience around the expected useful life of batteries in service with the Yutong Fleet is that they are expected to exceed 7 to 8 years, which was originally predicted. Note that it is still early days in the operational life of these vehicles.
Recommendation 19 **Agreed in principle** The Committee recommends that the ACT Government considers continuing to publish a time series of Government subsidy per passenger boarding (or journey) in the TCCS Annual and Financial Reports.	**In progress** Transport Canberra is working with its service provider to restore public transport data reports on the ACT Open Data Portal. This work will also enhance Transport Canberra's capability to provide more nuanced datasets and support accurate, reliable inclusion of public transport data in annual reporting.

Table B3.9 – *Standing Committee on Environment, Climate Change and Biodiversity Report No 2 – Appropriation Bill 2021–2022 and Appropriation (Office of the Legislative Assembly) Bill 2021–2022*

Government Response

Recommendation no. and summary	Status and action
Recommendation 15 **Agreed** The Committee recommends that the ACT Government make publicly available all catchment plans and assessments to undertake Healthy Waterways (or water quality improvement) works for review and comment, including proposed works, before detailed design and construction commitments are made.	**Complete** In June 2026 the ACT Government released the Lake Tuggeranong catchment plan, which underwent community consultation in late 2025. All technical reports and assessments supporting the plan's development were publicly available during the consultation. The next catchment plans to be developed, for Lake Burley Griffin and Lake Ginninderra (including Yerrabi Pond), will also be developed with community input. There are no new Healthy Waterways projects (capital works) currently proposed, aside from a small scale anti-algal technology trial. Any future projects will continue to be undertaken in close consultation with the community.

Table B3.10 – *Standing Committee on Environment, Climate Change and Biodiversity on Report No 3 – Inquiry into Annual and Financial Reports 2020–21*

Government Response

Recommendation no. and summary	Status and action
Recommendation 3 **Agreed** The Committee recommends that before commencing planning for land release or development of western edge land, including Bluetts Block, that the ACT Government publish any report recommendations for public comment and consultation.	**Complete** Western Edge Studies have been published on the Planning website at https://www.planning.act.gov.au/planning-projects/western-edge-investigation

Table B3.11 – *Standing Committee on Environment, Climate Change and Biodiversity Report No 9 – Inquiry into ACT's heritage arrangements*

Government Response

Recommendation no. and summary	Status and action
Recommendation 11 **Agreed in Principle** The Committee recommends that the ACT Government clarify the roles and responsibilities between the ACT Heritage Council and ACT Heritage Unit through the Heritage Strategy and implement clear roles and responsibilities through legislative changes.	**Complete** ACT Heritage has prepared a suite of governance documents to clarify the respective roles, responsibilities and working arrangements of the ACT Heritage Council and ACT Heritage. These include draft terms of reference, a governance memorandum of understanding, advisory committee procedures and a conflict-of-interest practice. The documents are being considered by the Council and, once finalised, will provide a clearer governance framework, support consistent decision-making and strengthen accountability, transparency and operational arrangements between the Council and ACT Heritage. The Council is currently finalising its business plan for 2026–27 that further identifies working alignments between the Council and ACT Heritage.

Table B3.12 – *Standing Committee on Justice and Community Safety – Report 20 – Inquiry into penalties for minor offences and vulnerable people*

Government Response

Recommendation no. and summary	Status and action
Recommendation 2 **Agreed in principle** The Committee recommends that the ACT Government explore law reforms with regards to the suspension of a driver's licence only ever occurring based on the substance of a traffic offence rather than on the basis of a failure to pay a fine or penalty.	**In progress** CED will continue to consider this recommendation as part of its ongoing reviews of road transport legislation.
Recommendation 13 **Agreed in principle** The Committee recommends that the ACT Government improve Aboriginal and Torres Strait Islander access to funded driver licensing programs as Aboriginal and Torres Strait Islander people continue to be disproportionately disadvantaged in being able to meet the requirements to obtain a driver's licence.	**Complete** Since the Learner Driver Mentor Program commenced, 9 Aboriginal and Torres Strait Islander participants have obtained their provisional licence, with a further 8 currently participating in the program. An additional 5 Aboriginal and Torres Strait Islander participants partially completed the program before disengaging. Since the dangerous driving pilot program commenced, 12 Aboriginal and Torres Strait Islander participants have participated in the program, with delivery occurring through the Wreck Bay Aboriginal community and PCYC's P2E and P180 programs. The program has also been adapted for delivery in ACT high schools.

Table B3.13 – *Standing Committee on Environment, Climate Change and Biodiversity – Report 8 – Inquiry into the waste management of absorbent hygiene products*

Government Response

Recommendation no. and summary	Status and action
Recommendation 4 **Agreed in principle** The Committee recommends that the ACT Government explore the introduction of a cloth nappy library trial.	**In progress** The exploration of the introduction of a cloth nappy library trial is yet to be considered. The Government continues to support the uptake of reusable nappies through education and communication. A reusables education kit, which includes reusable nappy items, is available for schools and community groups.

Table B3.14 – *Standing Committee on Justice and Community Safety – Report 16 – Dangerous Driving Inquiry*

Government Response

Recommendation no. and summary	Status and action
Recommendation 14 **Agreed in principle** The Committee recommends that the ACT Government review and streamline ACT legislation governing road safety and dangerous driving.	**In progress** The Government is continuing to consider ways to streamline road transport legislation.
Recommendation 20 **Agreed** The Committee recommends that the ACT Government monitor the evidence base for driver impairment following drug intake and update the assembly when it becomes available.	**In progress** The Government continues to review the evidence base relating to driver impairment following drug intake. The evidence base will continue to evolve over time and will continue to be monitored for any changes relating to the current regulatory framework. The ACT is also monitoring a Victorian Government funded trial on the effects of medicinal cannabis on driver impairment. Results are expected to be released by early 2027.

Table B3.15 – *Standing Committee on Health and Community Wellbeing – Report No 13 – Inquiry into Raising Children in the ACT*

Government Response

Recommendation no. and summary	Status and action
Recommendation 17 **Agreed in Principle** The committee recommends that the ACT Government provide more frequent, affordable, and more convenient public transport, as well as better footpaths so that people are not forced into the high costs of private car transport, or forced into isolation if they cannot afford these.	**Complete** The Government has implemented initiatives aimed at increasing service frequency and will continue to look at service frequency. There are several programs in place to improve community paths including the annual path maintenance program and projects/programs to add new and upgraded paths to existing connections.
Recommendation 28 **Agreed in Principle** The committee recommends that the ACT Government conduct an audit of all playgrounds in the ACT on disability access.	**Complete** Disability access and inclusion continue to be progressed through implementation of the ACT Play Space Strategy. The strategy identifies accessible and inclusive play spaces as a key focus area and provides a framework for improving access across Canberra's playground network. Accessibility considerations are being incorporated into the planning, upgrade and renewal of play spaces to support participation by people of all abilities.

Table B3.16 – *Standing Committee on Planning, Transport and City Services – Report No 18 – Inquiry into Annual and Financial Reports 2022–23*

Government Response

Recommendation no. and summary	Status and action
Recommendation 5 **Agreed** The Committee recommends that the Environment, Planning and Sustainable Development Directorate review the integrity arrangements for making decisions on Development Applications, so they are up to date with the Territory Plan.	**Complete** CED has adequate processes in place to ensure integrity is maintained on decisions relating to development applications.
Recommendation 8 **Agreed in Principle** The Committee recommends that the Transport Canberra and City Services Directorate consider setting an accountability indicator against whole of ACT transport emissions and their reduction, and report against this annually.	**Complete** CED reviewed its strategic indicators in 2026 and the overall emissions reduction (including transport emissions) is captured by Strategic Indicator 6. Furthermore, transport emissions are reported annually in Section B15 – Ecological Sustainability Reporting of the annual report.
Recommendation 9 **Agreed in Principle** The Committee recommends that the Transport Canberra and City Services Directorate consider setting an accountability indicator against whole of ACT waste emissions and their reduction, and report against this annually.	**Complete** CED reviewed its strategic indicators in 2026 and the overall emissions reduction is captured by Strategic Indicator 6. Furthermore, emissions are reported annually in Section B15 – Ecological Sustainability Reporting of the annual report.
Recommendation 11 **Agreed in Principle** The Committee recommends that the ACT Government provide an update as soon as possible about when it will deliver hourly weekend bus services.	**Complete** A new weekend bus timetable featuring more frequent bus services on Sundays commenced on Sunday 31 August 2025.

Table B3.17 – *Standing Committee on Environment, Climate Change, and Biodiversity Report 10 – Inquiry into Annual and Financial Reports 2022–23*

Government Response

Recommendation no. and Summary	Status and action
Recommendation 1 **Agreed** The Committee recommends that the ACT Government investigate increasing fuel load reduction burns in Bushfire Prone Areas and Bushfire Abatement Zones.	**Complete** The Regional Fire Management Plan (RFMP) has been completed and is now in place, providing a strategic framework for the management of bushfire risk across the ACT. The RFMP identifies and prioritises areas for fuel reduction burns based on risk, environmental values and operational considerations. All identified fuel reduction burn areas are located within Bushfire Prone Areas, with many also situated within designated Bushfire Abatement Zones. Implementation of the RFMP supports a risk-based and evidence-informed approach to reducing fuel loads and enhancing community protection while balancing environmental and cultural values.
Recommendation 6 **Agreed in Principle** The Committee recommends that the ACT Government cease classifying dingoes as a pest species and cease describing them as wild dogs.	**In progress** Following the ACT Government's announcement on 5 July 2024 to formally recognise the Waragul (Dingo) as a native animal, work is underway to support this policy reform. A consultative committee was established to guide the development of a Waragul Controlled Native Species Management Plan. Committee representatives include CED, Ngunnawal community, ACT Rural Landholder's Association of Farmers, ACT National Parks Association, ACT Scientific Committee, NSW Department of Climate Change, Energy, the Environment and Water (National Parks and Wildlife Service), Centre for Invasive Species Solutions, Conservation Council ACT Region, NSW Local Land Services (South East), RSPCA ACT and ACT Wildlife. The committee held its inaugural meeting in March 2026, with its terms of reference to be endorsed in August 2026, after which the drafting of the management plan will commence. The plan will support the future removal of the Dingo's declared pest status under the ACT Biosecurity Act 2023.
Recommendation 11 **Agreed** The Committee recommends that the ACT Government update the Assembly on the management of Red Gum dieback before the end of term.	**In progress** The Assembly was not updated on the management of Red Gum dieback due to no new monitoring results being available. This update has been deferred until analysis is completed in 2026–27. Monitoring of dieback and the impacts of sugar/mulch application continued in 2025–26, with analysis scheduled for the forthcoming year. Further work needs to be undertaken to assess the benefits of cool ecological burns on reducing the incidence and severity of dieback. The Conserving Canberra Restoration Project carried out extensive restoration of lowland box-gum grassy woodlands, including plantings of Red Gum and including multiple small ecological burns with community groups to enhance ecosystem health.

Table B3.18 – *Standing Committee on Environment, Climate Change and Biodiversity – Report No 6 – Inquiry into Environmental Volunteerism*

Government Response

Recommendation no. and summary	Status and action
Recommendation 5 **Agreed** The Committee recommends that the ACT Government review and standardise operational policy over the activities of volunteers across ACT Government directorates, particularly in reference to the use of power tools and chemicals.	**In progress** CED implemented a trial of Volunteer Use of Power Tools in the ParkCare volunteering program. City Presentation stakeholders were involved in the development of the policy, training and resources to ensure future implementation can be delivered consistently across both program areas. The ParkCare trial ceased in late 2025, with recommendations for future implementation based on feedback and learnings from the trial. Further delivery of volunteer use of power tools is scheduled for 2026–27 according to available resourcing, with a commitment for a further review in December 2027. CED is developing a standardised policy for volunteer use of herbicides. The single policy will apply to all volunteers across CED land management volunteer programs.

Table B3.19 – *Standing Committee on Planning, Transport and City Services Report 15 – Inquiry into electric vehicle (EV) adoption in the ACT*

Government Response

Recommendation no. and Summary	Status and action
Recommendation 11 **Agreed** The Committee recommends that the ACT Government review the Unit Titles (Management) Act 2011 to ensure the provisions of the Act are adequate for body corporates to manage EV related matters for example the installation of charging infrastructure.	**In progress** The Government is reviewing the Unit Titles (Management) Act 2011 as committed to in the ACT Government's Integrated Energy Plan 2024–30. The review will focus on owners corporations' ability to install solar panels, EV chargers and other activities to electrify their building.
Recommendation 17 **Agreed** The Committee recommends that the ACT Government review current government policies and programs supporting the transition to electric vehicles to gain a greater understanding of the types of inequalities in or exacerbated by this program, how these could have been better responded to and what learnings from this experience can be applied to future areas of transition such as the transition from gas to electricity.	**Complete** The Government continually reviews the effectiveness of its policies and programs to ensure equity in the transition to electric vehicles and broader electrification activities. These reviews help to inform future policy and program design; for example, changes enacted in the Sustainable Household Scheme and policies and programs to be delivered as part of the Government's upcoming Climate Change Strategy.

Recommendation no. and Summary	Status and action
Recommendation 20 **Agreed** The Committee recommends that the ACT Government undertake further consideration of and report back to the Assembly on how the transition to electric vehicles as currently outlined will or will not support a reduction in individual car dependency.	**Complete** While the primary purpose of the transition to electric vehicles is to deliver a zero emissions vehicle fleet, the Government is committed that the transition also support increased mode shift to active and public transport and reduce car dependency. The Government is delivering this by developing a more compact city, delivering improved public transport services and supporting increased active travel and e-mobility options. The Government will continue to monitor transport behaviour to inform policy and programs aimed at reducing car dependency. To continue work towards net zero by 2045 and climate change adaptation, the Government will release a new Climate Change Strategy and Action Plan in July 2026. The strategy and action plan will support the delivery of specific actions across a range of priority areas including transport mode shift and climate-conscious urban planning.
Recommendation 25 **Agreed** The Committee recommends that the ACT Government explore more opportunities to assist the freight industry, such as curfew exemptions and financial incentives, as soon as practicable and ahead of the current 2030 timeframe.	**Complete** The Government continues to investigate opportunities to assist the freight industry and continues to review successful policy and programs delivered in other jurisdictions. In addition, the ACT Government committed to support the installation of fast EV charging hubs for commercial vehicles in the ACT Government's Integrated Energy Plan 2024–30. Further to this, the Government became the first Australian signatory to the Global Memorandum of Understanding on Zero-Emissions Medium- and Heavy-Duty Vehicles.

Table B3.20 – *Standing Committee on Environment, Climate Change, and Biodiversity Report 13 on Inquiry into the ACT Environment's Bushfire Preparedness*

Government Response

Recommendation no. and summary	Status and action
Recommendation 3 **Agreed** The Committee recommends that as part of the current review of the SBMP and development of the SBMPv5, EPSDD and the ESA review the criteria used for assessing appropriate conditions for prescribed burning.	**Complete** The Strategic Bushfire Management Plan v5 and its Implementation Plan have been finalised and implemented. The plan includes a clear commitment to prescribed burning, particularly hazard reduction burning. Existing decision-making and approval processes for prescribed burns remain in place, balancing community safety, firefighter safety, escape risk, smoke impacts and ecological outcomes while continuing to deliver and exceed the ACT's residual risk reduction targets.
Recommendation 4 **Agreed** The Committee recommends that the ACT Government more clearly explain to the ACT community the residual risk methodology and fuel load management strategy.	**Complete** The Strategic Bushfire Management Plan v5 and the Regional Fire Management Plan have been finalised and implemented. The strategic plan provides a clearer explanation of residual risk and includes actions to improve community understanding of bushfire risk, including enhancing public-facing bushfire risk information through the ACT Emergency Services Agency's communication channels. The regional plan also incorporates and explains the concept of residual risk, providing a consistent approach to bushfire risk management across the ACT. Together, these plans strengthen community awareness and understanding of bushfire risk and support informed decision making for bushfire preparedness and management.

Table B3.21 – *Standing Committee on Economy and Gender and Economic Equality Report 11 – Inquiry into micro, small, and medium business in the ACT region*

Government Response

Recommendation no. and summary	Status and action
Recommendation 8 **Agreed** The Committee recommends that the ACT Government investigate ways to protect subcontractors from late or missed payments.	**In progress** The Building Policy and Reform team is leading the review. Jurisdictional reviews of recent reforms in Queensland, New South Wales and Victoria have been considered, with the aim of looking for synergies, especially with New South Wales legislation. It is proposed that consultation with industry be held in September 2026 to understand industry concerns and priorities, which would help identify policy options for Government consideration in late 2026. CED is also engaging with the Australian Government to engage with national reforms being led by the National Construction Industry Forum.

Table B3.22 –*Standing Committee on Planning, Transport, and City Services Report 17 – Inquiry into Property Developers Bill 2023*

Government Response

Recommendation no. and summary	Status and action
Recommendation 1 **Agreed** The Committee recommends that in the 5-year review of the legislation, ACT Government consider whether the Code of Conduct and regulatory system should apply to all property developers, including Government agencies that undertake property development.	**Complete** The Property Developers Regulation 2025 is in force and requires anyone arranging for residential building work to comply with the Code of Practice. The Code of Practice has been published on the Legislation Register and will commence from 1 October 2026.
Recommendation 3 **Agreed** The Committee recommends that the ACT Government clearly establish the administrative arrangements for running the scheme prior to commencement of the Property Developers Bill 2023.	**Complete** Applications for property developer licences opened on 1 October 2025 ahead of mandatory licensing commencing on 1 October 2026. Administrative arrangements are in place to accept and process licence applications and for continued policy development and implementation monitoring. The Government has disseminated information about licensing requirements and obligations through industry bodies and social media, with targeted communication to development approval applicants. In person and online information and drop-in sessions for prospective applicants were held, and CED staff have responded to queries and provided support with applications.

Table B3.23 – *Standing Committee on Planning, Transport and City Services Report 16 – Inquiry into the Territory Plan and other associated documents*

Government Response

Recommendation no. and summary	Status and action
Recommendation 1 **Agreed in principle** The Committee recommends that the ACT Government look to simplify and clarify searching and navigation as soon as possible.	**Complete** The Government continues to make improvements to the Territory Planning Authority website to ensure clarity, efficiency and ease of access to planning system information and educational material is available.
Recommendation 2 **Agreed in principle** The Committee recommends that the Planning Authority ensure that Development Application templates be made available online.	**Complete** CED continue to progressively update various templates associated with the development application (DA) process. In January a major update of the Notice of Decision template was completed after consultation with various stakeholders. This achieved a streamlined Notice of Decision, reduced and reordered to assist applications to have clarity on any conditions imposed, facilitating faster development progress post decision. All templates relevant to DA are available online.
Recommendation 5 **Agreed in principle** The Committee recommends annual reporting on planning system performance, including development application approvals and timeframes, departures from technical specifications, post-construction inspections, identified breaches, enforcement action, and the leading causes of complaints, appeals and non-compliance.	**Complete** CED continue to provide DA statistics on the planning website and as part of the Annual Reporting Performance Requirements. Reporting on the performance of the planning system, including the implementation of the Missing Middle Policy, is included in the CED Annual Report. No further action is currently planned to deviate from these existing mechanisms.
Recommendation 6 **Agreed** The Committee recommends that the Environment, Planning and Sustainable Development Directorate include in its Annual Report the number of Environment and Planning Forum meetings held, and what feedback and outcomes arose from those meetings.	**Complete** The number of Environment and Planning Forum meetings held had been an accountability indicator for EPSDD under the planning policy output. Results were reported annually in the statement of performance section of EPSDD annual reports. The forum has been renamed 'Environment, Transport and Planning Forum'. From 2026–27, the accountability indicator has been revised as follows: the number of Environment, Transport and Planning Forum meetings held during the year to assist in community consultation. The Secretariat of the Environment, Transport and Planning Forum will include a summary paragraph on the forum's webpage following each meeting.
Recommendation 9 **Agreed in principle** The Committee recommends that 18 months after the commencement of the Territory Plan, the two-pass consultation process for development applications be reviewed to establish whether further consultation reform is necessary.	**In progress** Implementation of the ACT Planning System Evaluation Framework 2024–29 has included delivery of an annual proponent survey and the Development and Planning Process Reset project, which focus on improving the development assessment process. The Development and Planning Process Reset responds directly to industry feedback and aims to deliver practical reforms that improve system performance and support housing delivery. To date, the two-pass consultation process for development applications has not been reviewed; however, Government will consider including this within the scope for the next annual proponent survey to seek stakeholder views on the value of second pass consultation.

Recommendation no. and summary	Status and action
Recommendation 11 **Agreed** The Committee recommends that the ACT Government consider amending the Planning Act 2023 so that major amendments to the Design Guides and Technical Specifications are subject to review and comment by the relevant Assembly Committee.	**Complete** The Government's position is to continue to consult on changes to design guides and technical specifications where they are associated with major plan amendments or contain major policy changes. This will involve referral to the Assembly Committee where associated with a major plan amendment process. No legislative amendments are required to enable this to occur. A recent example is the consultation undertaken on changes to the technical specifications and the draft Missing Middle Housing Design Guide in support of Major Plan Amendment 04 – Missing Middle Housing Reforms (MPA-04).
Recommendation 12 **Agreed in principle** The Committee recommends that the Territory Plan be amended (including whether appropriate in the District Policies) to allow more zoning changes in RZ1 than is currently permitted under the Territory Plan.	**Complete** Major Plan Amendment 04 commenced on 1 July 2026, amending the Territory Plan to better enable subdivision, consolidation and development in the residential zones (generally in the RZ1 and RZ2) across the ACT. The changes will enable more housing options (including townhouses, terraces and duplexes) to be developed. The amendment is also supported by the introduction of the Missing Middle Housing Design Guide and updates to the Technical Specifications (Residential Zones and Subdivision).
Recommendation 13 **Agreed in principle** The Committee recommends that the Planning and Land Authority report against the outcomes of the dual occupancy reforms including applications, approvals, resulting and net new dwellings, and their locations.	**Complete** CED now maintains a DA decision register that includes information such as the number of dwellings and location and type. This will support data reporting into the future.
Recommendation 14 **Agreed in principle** The Committee recommends that the Territory Plan be amended to allow higher densities in specific locations, such as RZ2, RZ3 and RZ4 zones, which are close to local shops, adjacent to public transport and community facilities providing opportunities for greater block consolidations that would permit planning on a 'precinct' basis; and provide opportunities for greater densities and heights.	**In progress** The Territory Planning Authority made consequential amendments to the permissible maximum storeys in the Residential Zones Policy, allowing greater density in existing residential zones including RZ2, RZ3 and RZ4 through Major Plan Amendment 04 – Missing Middle Housing Reforms. Amendments were also made to facilitate consolidation of residential blocks to allow for larger and better coordinated developments that may achieve greater densities. CED is investigating opportunities for shop-top and shop-adjacent housing to increase the supply and diversity of well-located housing to provide greater housing choice within existing suburbs to support the Government's commitment to deliver 70% of new housing within existing urban areas. This includes progressing the Southern Gateway Planning and Design Framework, which considers urban renewal and opportunities for increased density along the proposed future Light Rail route to Woden.

Recommendation no. and summary	Status and action
Recommendation 15 **Agreed in principle** The Committee recommends that the ACT Government implement further policy changes to the Territory Plan to encourage community housing or public housing on underutilised community-facility zoned land, like church land, whilst ensuring that we protect recreational and community spaces.	**In progress** The Government will develop an integrated Planning and Transport Strategy. The new strategy will consider renewed Territory-wide community and recreation needs evidence and data. It will consider opportunities for strategic land use that incentivise community and public housing, such as on underutilised community-facility zoned land. The Minister's Statement of Planning Priorities 2025–28 supports more housing near high-frequency public transport and commercial centres, including social and affordable housing. The Government is reviewing Commercial Zone 6 zoning to consider aged-care and residential uses while protecting community and recreation facilities. The Club Concierge Service supports clubs to explore redevelopment, diversify revenue beyond electronic gaming machines and create additional housing opportunities.
Recommendation 16 **Agreed in principle** The Committee recommends that the evaluation of initiatives in the Demonstration Housing Project should include an early assessment soon after the occupation/ completion of the building so that any learnings can be understood and used to guide any amendments to the Territory Plan.	**In progress** The Demonstration Housing Project evaluation is underway and is considering 6 Demonstration Housing Projects 'with-site' including Stellulata, a co-housing project in Ainslie which has been constructed and is now in the post occupancy evaluation stage. This evaluation will be completed in the second half of 2026. Outcomes from the Demonstration Housing Project informed the Draft Missing Middle Housing Reform and updates to the Territory Plan.
Recommendation 18 **Agreed** The Committee recommends that the Territory Planning Authority work with the Education Directorate to determine the need for a school in the Belconnen Town Centre.	**Complete** The Education Directorate is preparing to report back to the Assembly in 2026–27 regarding the assessment of the need for a future school in the Belconnen Town Centre and/or at the University of Canberra Campus. CED is progressing the Belconnen Town Centre and Surrounds Planning Study.
Recommendation 22 **Agreed in principle** The Committee recommends that the ACT Government review the solar fence requirements to ensure that solar efficiency is maximised so as to reduce energy consumption.	**Complete** Major Plan Amendment 04, which commenced on 1 July 2026, added solar access provisions to existing rooftop solar and hot water services under Assessment Outcome 15 of the Residential Zones Policy. The Territory Planning Authority has made updates to the Residential Zones Technical Specification as a consequential amendment associated with Major Plan Amendment 04. This includes changes to the building envelope for multi-unit development, and additional specifications that consider solar access to adjoining residential blocks internal living spaces, private open space, existing rooftop solar collectors and solar hot water services.

Recommendation no. and summary	Status and action
Recommendation 25 **Agreed in principle** The Committee recommends that with respect to rural leases, the ACT Government work with the Commonwealth to provide improved tenure outcomes for leases in the Majura Valley; finalise the Eastern Broadacre Planning Study and Eastern Broadacre Strategic Assessment; and consider incorporating the Canberra Region Local Food Strategy into the Territory Plan.	**In progress** Eastern Broadacre is identified in the ACT Planning Strategy 2018 and East Canberra District Strategy for investigations into opportunities for new industrial and employment areas, while considering existing uses of the land and environmental values.
Recommendation 27 **Agreed in principle** The Committee recommends that the ACT Government consult directly with the traders and owners in the Phillip Service Trades area, with a view to reversing the zoning change that removed residential use from the Phillip Service Trades Area.	**In progress** CED will continue to engage with Phillip Service Trades Area stakeholders through consultation on the Draft Southern Gateway Planning and Design Framework, to be released in mid-2026. The role and function of the Phillip Service Trades Area is being considered as part of the Southern Gateway corridor, the Woden District and as one of the largest light industrial precincts in the ACT.

Table B3.24 – ***Standing Committee on Health and Community Wellbeing Report 13 – Inquiry into Raising Children in the ACT***

Government Response

Recommendation No. and Summary	Status and Action
Recommendation 17 **Agreed in principle** The committee recommends that the ACT Government provide more frequent, affordable, and more convenient public transport, as well as better footpaths so that people are not forced into the high costs of private car transport, or forced into isolation if they cannot afford these.	**In progress** Transport Canberra, in collaboration with Roads ACT and Infrastructure Delivery, is assessing all active ACT bus stops and their connections to the community path network against the Disability Standards for Accessible Public Transport. The audit, due for completion in November 2026, will identify works required to achieve compliance. Separately, upgrades to improve walkability and connectivity across the network, including to public transport, are delivered through a range of programs and funding sources. Minor works may be addressed through existing programs, such as path maintenance and renewal programs, while more substantial upgrades may require additional funding through future budget. Prioritisation of improvements will be guided by their ability to enhance community connectivity, improve safety outcomes and support equitable access.
Recommendation 28 **Agreed in principle** The committee recommends that the ACT Government conduct an audit of all playgrounds in the ACT on disability access.	**In progress** Disability access and inclusion continue to be progressed through implementation of the ACT Play Space Strategy. The strategy identifies accessible and inclusive play spaces as a key focus area and provides a framework for improving access across Canberra's playground network. Accessibility considerations are being incorporated into the planning, upgrade and renewal of play spaces to support participation by people of all abilities.

Table B3.25 – *Standing Committee on Education and Community Inclusion Report No 12 – Inquiry into Skateboarding and Skate Parks in the ACT*

Government Response

Recommendation No. and Summary	Status and Action
Recommendation 2 **Agreed** The Committee recommends that the ACT Government establish a skate park strategy for Canberra	**In progress** An ACT Skate Park Strategy is being drafted. Public consultation on the strategy will occur in the second half of 2026. It is anticipated the strategy will be finalised in the first half of 2027.
Recommendation 5 **Agreed in principle** The Committee recommends that skateboard deterrents and skate stoppers are only used in public places across Canberra when necessary, and that the reasons for those deterrents are publicly and accessibly listed.	**Complete** This recommendation has been addressed through existing Municipal Infrastructure Standards, including MIS 20 – Street and Park Furniture and MIS 17 – Shopping Centres and Commercial Areas. These publicly available standards provide guidance on the use of design features intended to discourage skateboarding-related damage to public assets and identify circumstances where such treatments may be appropriate. The standards support consistent decision-making in the design and management of public spaces while balancing asset protection, accessibility, usability and maintenance considerations. These requirements are embedded within the existing framework for the planning, design and delivery of public infrastructure across Canberra.
Recommendation 6 **Agreed in principle** The Committee recommends that the ACT Government prioritise building new skate parks and skate-friendly spaces in new and growing suburbs, as well as existing suburbs where the community has identified a need for such spaces.	**Complete** The Government will consider the construction of new skate parks and skate-friendly spaces in new and existing suburbs.
Recommendation 7 **Agreed in principle** The Committee recommends that the ACT Government integrate skating elements when building new play infrastructure in Canberra, to cater to a wider demographic of the community and encourage multi-use public spaces.	**Complete** The Government committed to the construction of a skate park in Jacka. As playground upgrade programs are being developed, skate elements will be considered for inclusion.
Recommendation 8 **Agreed** The Committee recommends that the ACT Government update ageing skating infrastructure to ensure it is fit for purpose and aligns to modern skate park designs.	**Complete** Tuggeranong and Charnwood skate park renewal works are underway to address safety and user experience issues. The 2 skate parks will also receive some additional features to enhance the offering. This work will be completed in early 2027. The annual skate park audit is undertaken by qualified contractors to identify the general operational safety of skate elements and rolling surfaces; for example, within consistency of relevant standards. Upgrades to skate parks will continue to be considered through ongoing playground upgrade programs.

Recommendation No. and Summary	Status and Action
Recommendation 13 **Agreed** The Committee recommends that the ACT Government install safety signs at skate parks that provide modern user instructions and safety warnings that accurately reflect skating culture.	**Complete** Signage requirements will continue to be considered as part of routine asset management and signage replacement programs. As skate park signage is renewed or replaced, opportunities will be taken to incorporate contemporary safety information and user guidance consistent with relevant standards and operational requirements. This phased approach supports ongoing improvements while aligning implementation with existing asset renewal and maintenance programs.
Recommendation 14 **Agreed** The Committee recommends that the ACT Government install adequate lighting at all skate facilities in Canberra.	**Complete** Lighting at skate facilities is addressed through the existing Municipal Infrastructure Standards and future delivery planning.
Recommendation 15 **Agreed in principle** The Committee recommends that the ACT Government assess the weather protection offered at current skate parks and ensure skate facilities incorporate anti-glare designs.	**Complete** Weather protection at skate parks and the incorporation of anti-glare designs will be considered during the feasibility and planning stages of new projects, including refurbishments and upgrades.
Recommendation 16 **Agreed** The Committee recommends that the ACT Government consider landscape materials during the design of skate parks and surrounding areas to reduce natural debris on skate park surfaces.	**Complete** Landscaping materials used in skate parks is being considered through the feasibility and planning stages of new projects and upgrades to current facilities.
Recommendation 17 **Agreed** The Committee recommends that the ACT Government review processes for maintenance to reduce debris on skate parks, such as litter and tree detritus.	**Complete** Skate parks continue to be maintained through a combination of routine inspections, contractor inspections and community reporting. Maintenance activities include the removal of litter and tree debris, minor repairs and the identification of larger works requiring specialist contractors. Opportunities to review maintenance processes and identify improvements to the management of debris and other maintenance issues are being considered through ongoing ACT Skate Strategy facility planning and engagement activities. This work will help inform future approaches to maintaining safe, functional and well-presented skate park facilities across Canberra.
Recommendation 18 **Agreed** The Committee recommends that the ACT Government implement specific standards for skate park repairs.	**Complete** CED is committed to ensuring specific standards for skate park repairs are maintained and undertaken by maintenance contractors who are proficient in the use of modern techniques.

Recommendation No. and Summary	Status and Action
Recommendation 19 **Agreed** The Committee recommends that the ACT Government implement specific standards for skate park repairs.	**Complete** CED is committed to ensuring maintenance contractors are proficient in modern techniques for the restoration and repair of skate park infrastructure. Proficiency is a key consideration of the procurement process.
Recommendation 23 **Agreed in principle** The Committee recommends that the ACT Government install location-specific QR codes at each skate park to support people to easily report maintenance and repair issues on site.	**Complete** Maintenance and repair issues at skate parks continue to be managed through the established Fix My Street reporting process, consistent with other public play and recreation facilities. Information on how to report maintenance and repair issues will be incorporated into skate park signage as signage is replaced through routine renewal programs. This approach supports a consistent Territory-wide process for reporting defects and maintenance concerns while improving community awareness of available reporting channels.

Table B3.26 – *Select Committee on Estimates 2024-2025 Report on Inquiry into the Appropriation Bill 2024–2025 and Appropriation (Office of the Legislative Assembly) Bill 2024–2025*

Government Response

Recommendation No. and Summary	Status and Action
Recommendation 36 **Agreed in Principle** The Committee recommends that the ACT Government give strong consideration to include the roofing industry as one which is in need of licensing or regulatory reform.	**In progress** The Government is exploring options to extend licensing to select trades, based on a risk prioritisation process. Consultation was undertaken from 11 March to 23 April 2026. Government is considering trades that could be included and the framework under which it is proposed they sit.
Recommendation 60 **Agreed** The Committee recommends that the Transport Canberra and City Services Annual Report provide greater detail on bus types and expected deliveries.	**Complete** Transport Canberra will continue to provide information on the procurement of battery electric buses through future annual reports. However, providing a definitive delivery timeframe is challenging as delivery schedules are influenced by a range of external and operational factors. These include global and domestic supply chain constraints, manufacturer production lead times, vehicle shipping and commissioning requirements, and the need to align fleet deployment with the availability of charging infrastructure and depot readiness. Collectively, these factors create risks to the timing and sequencing of bus deliveries and fleet rollout, resulting in delivery timeframes remaining subject to change.

Table B3.27 – *Standing Committee on Environment and Planning Report of the inquiry into procurement and delivery of MyWay+*

Government Response

Recommendation No. and Summary	Status and Action
Recommendation 1 **Agreed** The committee recommends that the ACT Government continue its investigations and ensure that account balance information is available on validator screens as soon as possible.	**In progress** Transport Canberra and NEC are progressing feasibility evaluation of a solution which, if proven feasible, will progress to a potential implementation under Digital Canberra.
Recommendation 3 **Agreed** The Committee recommends that the ACT Government conduct an internal review of risk management within the MyWay+ project, with a view to identifying and implementing specific process changes in how risks are managed and mitigated in large digital procurements. Further, that the Minister for Transport report to the Legislative Assembly on the process changes identified and how they are being implemented and that this report be updated in the assembly once every 6 months until the end of the term.	**In progress** An internal review of risk management practices at CED was undertaken as part of its machinery of government changes, resulting in a new Directorate-wide and applicable risk management framework. Similarly, Digital Canberra has now been established and various frameworks, including risk management, are being reviewed and updated to better manage digital procurements.
Recommendation 4 **Agreed** The Committee recommends that the ACT Government commence a cross-directorate structured program of internal project management reform, and that a report on this program outlining the specific steps to be taken, as well as the timing of these steps, be presented to the Legislative Assembly within 12 months; and that the Assembly be updated once every 12 months on the implementation of this reform.	**Complete** Digital Canberra has now been established and various frameworks, including project management, are being reviewed and updated to better manage digital procurements.
Recommendation 5 **Agreed** The Committee recommends that the ACT Government require that future annual reports of large ACT Government agencies include a section on project management, which highlights the extent to which project deliverables have been achieved on time and within budget, quantifies and explains any delays incurred, and provides sufficient detail to support effective scrutiny by legislative assembly committees.	**Complete** This is current practice in annual performance reporting relating to major initiatives conducted by directorates, including Digital Canberra.

Recommendation No. and Summary	Status and Action
Recommendation 6 **Agreed** The Committee recommends that the ACT Government require the cross-directorate structured program of internal project management reform, as per recommendation 4, include a focus on ensuring compliance with accessibility requirements and standards, particularly in relation to projects that are subject to major contract variations that result in changes to delivery schedules.	**Complete** This is current practice in digital design best practices and will be reviewed for currency and suitability as part of the establishment of Digital Canberra.
Recommendation 7 **Agreed** The Committee recommends that the ACT Government produce a manual for best-practice community testing programs for complex projects with important public-facing aspects or functions and that the ACT Government apply these procedures to test all major complex projects.	**Complete** This is current practice in digital design best practices and will be reviewed for currency and suitability as part of the establishment of Digital Canberra.

Table B3.28 – *Standing Committee on Environment and Planning 05. Inquiry into DPA-B – Forrest Section 19 Blocks 5,6,9,11 and 12*

Government Response

Recommendation No. and Summary	Status and Action
Recommendation 1 **Agreed in principle** The Committee recommends that when the ACT Government considers or initiates Major Plan Amendments, it ensures there is sufficient information accompanying publicly notified documents to allow the community to see implications on key issues such as security, traffic management, parking, solar access, trees and green space, and environmental considerations.	**Complete** The Territory Planning Authority is adopting this recommendation by continuing to refine the suite of Major Plan Amendment (MPA) documentation, including the types and format of information relevant to the MPA process. Updates include greater use, where suitable, of 'plain language' rather than planning terminology, and updates to the structure of documents to improve legibility and document flow.

Table B3.29 –*Standing Committee on Environment and Planning Report 6 Inquiry into Draft Major Amendment to the Territory Plan 04 – Missing Middle Housing Reforms*

Government Response

Recommendation No. and Summary	Status and Action
Recommendation 3 **Agreed in principle** The Committee recommends that the ACT Government establish an independent review of the LVC to investigate ways to best serve the public interest by balancing land value capture with encouraging missing middle development.	**Complete** The ACT Government has completed this action by establishing a broad review of the Lease Variation Charge (LVC) framework, which will occur over 2026–27. The review is considering options to improve certainty, efficiency and equity in LVC settings, including for missing middle housing. A time-limited LVC remission for eligible missing middle development is now in place to support uptake of the reforms while the review is underway. The Government is continuing to seek independent technical advice and engage with stakeholders to inform policy development.
Recommendation 4 **Agreed in principle** The Committee recommends that the ACT Government list and publish all service and infrastructure studies that have been undertaken in the past 5 years and undertake new regular assessments of the suburbs which are subject to densification through Missing Middle Housing Reforms. These assessments should be consistent with the Wellbeing Framework and associated indicators. These assessments should be used to inform infrastructure upgrades to improve the lives of all Canberrans, especially those who need it most.	**In progress** Infrastructure capacity studies for Southern Gateway, Belconnen and Inner North/City have been completed by the consultants. CED is considering release through the planning website noting they are technical studies designed to support planning and development initiatives in these districts and do not commit Government or utility companies to any particular project or outcome.
Recommendation 6 **Agreed** The Committee recommends that the ACT Government review the Missing Middle Housing Design Guide to ensure that the block consolidation policy is purpose-led to enable better outcomes and make it clear that the issues to be considered are matters such as proximity to open space, footpaths and end of block location.	**Complete** The Missing Middle Housing Design Guide commenced 1 July 2026. The final version includes further guidance on desired outcomes for block consolidation, including improved links between the guide and the Residential Zones Technical Specifications.
Recommendation 7 **Agreed** The Committee recommends that the ACT Government develop specific guidelines for mid-section block consolidations to reduce and manage detrimental impacts on neighbouring residential amenity and parking provision.	**Complete** The Missing Middle Housing Design Guide commenced 1 July 2026. The final version includes further guidance on desired outcomes for block consolidation, and improved cross-referencing to ensure development interfaces form an integral consideration in the block consolidation process.

Recommendation No. and Summary	Status and Action
Recommendation 9 **Agreed** The Committee recommends assessing cumulative on-street parking impacts on safety, amenity and the environment; encouraging suitable underground parking, particularly in RZ2 areas; and conducting regular inspections in high-demand locations.	**Complete** Prior to commencement of Major Plan Amendment 04 on 1 July 2026, the Territory Planning Authority made revisions to relevant provisions of the Residential Zones Policy Assessment Outcome 6 to ensure public domain impacts from on-street parking are appropriately considered and managed through the DA process for new development proposals.
Recommendation 10 **Agreed in principle** The Committee recommends that the ACT Government provide an assessment of the 'heat bank' impact of the proposed reforms as well as the current heat bank assessment of the town centres and other residential zones and report back to the Assembly by 30 June 2027 and then on an ongoing basis with frequency to be informed by the Chief Health Officer on the basis of the risk of extreme heat events.	**In progress** A Missing Middle Policy Evaluation Plan is currently under development. Urban heat mapping data, which will be collected on a 5-yearly basis, will support analysis of the cumulative impact of urban infill development.
Recommendation 11 **Agreed in principle** The Committee recommends that the ACT Government establish a monitoring program to understand, and if needed mitigate, the cumulative impacts on the Canberra landscape and urban forest that result from the missing middle housing reforms, with the results used to guide individual assessment of development applications to ensure that cumulative impacts on tree canopy are considered.	**In progress** The Government has a project underway to model and understand pathways for Canberra to meet the 30% tree canopy cover target by 2045. The project is assessing the potential impacts of policies such as the Missing Middle Housing Reforms and urban densification. The outputs will help Government understand Canberra's capacity to meet the 30% canopy target and will provide advice to inform policy directions to mitigate urban heat. Tree canopy cover data is collected on a 5-yearly basis. In addition, a Missing Middle Policy Evaluation Plan is being developed that will consider changes in canopy cover resulting from urban infill development.
Recommendation 12 **Agreed in principle** The Committee recommends that the ACT Government, as part of the existing annual reporting about trees that already occurs, report against how many trees that have been removed and/or replaced under the Urban Forest Act, report against heat island data and changes and report against canopy and tree coverage data and changes on private land.	**In progress** Work continues to enhance reporting on urban tree canopy, tree replacement and urban heat outcomes across Canberra. The Territory is finalising a project to support regular updates of Urban Heat Island data across local climate zones, which will inform future trend-based reporting. Existing tree canopy monitoring through LiDAR surveys and annual reporting mechanisms are being reviewed to identify opportunities to incorporate information on tree removals, replacements and changes in canopy cover on private land. The increased minimum tree canopy requirements introduced through the Missing Middle Housing Reforms will support improved monitoring and reporting of private land contributions to Canberra's urban forest outcomes.
Recommendation 13 **Agreed** The Committee recommends restoring 40% communal or private open space for multi-unit housing, or introducing technical specifications to ensure these spaces provide high-quality amenity and design.	**Complete** The Territory Planning Authority actioned the changes prior to commencement of Major Plan Amendment 04, which commenced on 1 July 2026.

Recommendation No. and Summary	Status and Action
Recommendation 15 **Agreed in principle** The Committee recommends updating District Strategies to address neighbourhood and heritage character, National Capital Plan relationships, cumulative development impacts, and require assessment reports to respond to these matters.	**Complete** The Territory Planning Authority actioned the changes as per the Government response prior to commencement of Major Plan Amendment 04, which commenced on 1 July 2026.
Recommendation 18 **Agreed** The Committee recommends that the Minister for Planning and Sustainable Development approve DPA-04 with the recommendations in this report incorporated.	**Complete** Major Plan Amendment 04 commenced on 1 July 2026, incorporating amendments outlined in the Government Response to the Committee's Report No. 6.

Table B3.30 – *Standing Committee on Transport and City Services Report No 1 of 2026 – Can We Fix It? Report of the Inquiry into the Effectiveness of Fix My Street*

Government Response

Recommendation No. and Summary	Status and Action
Recommendation 1 **Agreed** The Committee recommends that the ACT Government conduct an audit of all public facing Fix My Street pages annually to ensure it is compliant with Web Content Accessibility Guidelines 2.1.	**Complete** The Government aims to meet the requirements of the Australian Government Digital Service Standard across its websites. This includes complying with the standards and obligations of international requirements and legislative obligations, including WCAG 2.2, AA Level. The ACT Government has a framework for auditing its most visited pages annually to ensure it meets accessibility guidelines. This includes Fix My Street.
Recommendation 4 **Partially Agreed** The Committee recommends that the ACT Government add functionality to Fix My Street to allow for closed requests to be reopened through the website.	**Complete** The current solution already provides appropriate and controlled mechanisms for reviewing and reopening cases. Citizens may reply directly to the case closure email notification, which is monitored by staff, or contact Access Canberra to request a review. Where valid reasons are identified, the request can be reopened following assessment by the responsible business area.
Recommendation 5 **Agreed** The Committee recommends that the ACT Government continue to invest in improving the effectiveness of Fix My Street.	**Complete** The ACT Government will continue to consider investments in enhancing the effectiveness of the Fix My Street service, including identifying opportunities for ongoing improvement and optimisation. Any future enhancements will be considered in the context of broader Government priorities and subject to funding decisions.

ACT Ombudsman and Integrity Commission reports

CED did not have anything to report during 2025-26.

B4 Risk Management

CED managed risk as part of normal planning, decision-making and service delivery. As a new entity, CED developed and approved its Risk Management Framework during the reporting period and commenced implementation. The framework aligned with AS ISO 31000:2018 and the ACT Government Risk Management Policy, applied to staff, contractors and statutory office holders, and set a minimum 2-year review cycle.

Significant operational and financial risks were identified and managed at strategic and business-unit levels through strategic risk oversight by the Executive Leadership Group (ELG) and business-level assessments led by responsible executives.

CED's arrangements to manage and monitor risk followed the Three Lines Model: operational areas owned risks and controls; risk and compliance functions provided guidance and oversight; and Internal Audit provided independent assurance to the Audit Committee and ELG. Strategic and divisional risk registers were reviewed on a biannual cycle or earlier if triggered by significant change, and high and extreme risks were escalated as soon as practicable. Alignment with the framework and implementation progress were reported quarterly to the Audit Committee and to ELG as required. New and emerging risks were identified and responded to through escalation and treatment as required.

B5 Internal Audit

The CED internal audit function is administered by a Head of Internal Audit and governed by the CED Audit Committee. The committee reports to the Director-General on the governance, risk compliance and internal control environment. The committee also reviews the annual financial statements and provides advice to the Director-General on audit outcomes, significant risks and implementation of mitigation strategies.

Following establishment of CED, the internal audit team developed and implemented the CED Internal Audit Charter and the CED Audit Committee Charter to conform with the new Institute of Internal Auditors' Global Internal Audit Standards.

Internal audits

Internal audit related activities are conducted in accordance with the CED Internal Audit Charter and the CED Audit Committee Charter to ensure internal audit delivers a value-add compliance assurance and performance service to the Director-General and wider directorate.

The CED Strategic Internal Audit Program is a combination of planned and management-initiated reviews that is revised according to emerging priorities and strategic and operational risks. The plan is informed by an independent assurance mapping process, validating and prioritising internal audits based on risk and internal governance models.

One internal audit was completed and reported to the Audit Committee – the Development Application Process Review.

No internal audits commenced in this period. The Directorate has appointed an internal audit service provider to deliver the CED Strategic Internal Audit Program from 1 July 2026.

CED Audit Committee

The Audit Committee consists of an independent chair, 2 independent external members, an ACT Government executive member and a CED executive non-member advisor.

The committee is assisted by key advisors including the CED Chief Operating Officer, the Chief Financial Officer, the Head of Internal Audit and representatives of the Auditor-General's office. Following its establishment in November 2025, the committee met 3 times to discuss performance and compliance audits.

The committee monitors progress on all audit recommendations and, following their implementation, has responsibility for accepting closure. The committee supported the closure of 22 recommendations within the reporting period.

The former Transport Canberra and City Services (TCCS) and Environment, Planning and Sustainable Development (EPSD) directorate audit committees met once each to formally close-out those committees and review the financial statements for each of those entities for the 2024–25 period.

Audit Committee members

The external independent members on the Audit Committee are engaged under contract and paid a fee based on a minimum of 5 meetings per annum.

Table B5.1 – CED Audit Committee membership 2025–26

Name of Member	Position	Meetings attended
Alexandra Spark	Chair (Independent Member)	3
Peter Lewinsky	Independent Member	3
Greg Field	Independent Member	3
Steven Wright	ACT Government member (external to CED)	3
Yu-Lan Chan	CED non-member advisor	3

B6 Fraud Prevention

Fraud control arrangements during 2025–26 were overseen by the Chief Operating Officer and the Executive Branch Manager, Governance, Ministerial and Coordination in their respective roles as the Senior Executive Responsible for Business Integrity Risk (SERBIR) and Deputy SERBIR, with additional oversight provided by the CED Audit Committee.

The SERBIR was supported by an advisory panel comprising the Deputy SERBIR, the Executive Branch Manager, People, Safety and Culture and the Senior Director, Security and Emergency Management. The panel met regularly to review fraud and corruption prevention, detection and reporting mechanisms and to assess and monitor reported integrity matters.

The CED Fraud and Corruption Prevention Plan provides a structured framework to strengthen integrity, mitigate the risk of fraud and corruption and support employees in making informed decisions about identifying, reporting and responding to fraud, corruption and other ethical concerns.

The Director-General's certification, required by Section B6, is included in the Transmittal Certificate of the CED Annual Report.

Prevention and detection measures

In alignment with the Fraud and Corruption Prevention Risk Profile, CED applies a standardised fraud and corruption risk framework, with business units responsible for identifying and managing operationally specific risks and controls.

During 2025–26, CED continued to undertake integrity awareness activities to strengthen employee understanding of unethical, fraudulent and corrupt conduct.

Prevention and detection measures undertaken included:

- promoting ethical and proper conduct through scheduled and regular all-staff email updates on the CED intranet and internal newsletter
- conducting an internal audit program to address issues of business integrity risk
- using interactive eLearning online modules
- actively promoting and participating in training and awareness activities conducted by the ACT Integrity Commission.

Training

Fraud and Ethics Awareness training is mandatory, with completion required every 2 years. Training is also incorporated into the CED Corporate Induction and Transport Canberra Bus Driver Induction programs. Face-to-face fraud awareness sessions tailored to field-based teams were also delivered.

As of 30 June 2026, 93% of all CED employees had completed Fraud and Ethics Awareness training.

Reports of fraudulent activity

During 2025–26, 22 matters involving suspected fraudulent activity were reported to the SERBIR.

The SERBIR also received 2 reports concerning suspected fraudulent activity relating to other ACT Government entities. These matters were referred to the appropriate agencies for further review and any necessary action.

Four reports of suspected fraudulent activities remained open at the end of the 2024–25 financial year.

Table B6.1 – Outcomes of open fraudulent activity allegations as noted in TCCS Annual Report 2024–25

Number	Report	Outcome
1	Inappropriate use, theft or unethical disposal of ACT Government assets	Investigation is ongoing.
2	Business and/or policy decisions are inappropriately influenced	No finding of fraud or misconduct was substantiated.
3	Inappropriate access to information	The employee resigned prior to the conclusion of an investigation.
4	Falsified timesheets	This resulted in: • no fraud or misconduct being substantiated against one employee • one finding of fraud or misconduct substantiated against another employee with sanctions applied.

Table B6.2 – Outcomes of fraudulent activity allegations reported through to the CED SERBIR in 2025–26

Number	Report	Outcome
1	Staff member fraudulently obtained a benefit	Staff member resigned prior to the conclusion of the investigation.
2	Conflict of interest	No finding was substantiated.
3	Misuse of Government resources	No finding was substantiated.
4	Failure to follow process	Matter was substantiated resulting in formal counselling.
5	Falsified timesheets	Matter was substantiated resulting in formal sanctions.
6	Falsified timesheets	Investigation is ongoing.
7	Falsified on-call timesheets	No finding was substantiated.
8	Inappropriate use social media	No finding was substantiated.
9	Conflict of interest	Employee resigned prior to the conclusion of the investigation.
10	Misuse of government vehicle	Investigation is ongoing.
11	Misuse of government vehicle	Investigation is ongoing.
12	Inappropriate access to information	Employee resigned prior to formal dismissal.
13	Inappropriate access to information	Matter was substantiated resulting in formal counselling.
14	Falsified timesheets and misuse of government vehicle	Investigation is ongoing.
15	Unauthorised purchase	Investigation is ongoing.
16	Misuse of government vehicle	Investigation is ongoing.
17	Inappropriate access to information	Matter was substantiated. Employee resigned prior to formal dismissal.
18	Failure to follow process	No finding was substantiated.
19	Failure to follow process	No finding was substantiated.
20	Falsified timesheets	Investigation is ongoing.
21	Failure to follow process	Investigation is ongoing.
22	Conflict of interest	Investigation is ongoing.

B7 Freedom of Information

The *Freedom of Information Act 2016* (FOI Act) provides a right of access to relevant Government information unless that information is, on balance, contrary to the public interest. The FOI Act ensures Government information is available to everyone to the fullest extent possible and provides for 2 types of applications that can be made to access this information. The Directorate supports the principles of open government and the community's right to access Government information.

Open Access Information Scheme

In 2025–26, 162 decisions to publish Open Access Information were made. No decisions were made not to publish Open Access Information or a description of Open Access Information.

The Directorate proactively released Government information under the Open Access Information Scheme on its website and the ACT Government Open Access Information website, including:

- functional information about CED, including its structure and how applications can be made to access Government information and policies
- decisions made about access applications (see the Freedom of Information Disclosure Log)
- information about boards and other bodies established by the Directorate
- documents tabled (see the ACT Legislative Assembly website) and budgetary papers (see the ACT Treasury website)
- information about grants administered by CED.

FOI applications

Access applications can be made by emailing CEDFOI@act.gov.au or calling (02) 6207 2987. Further information on making an access application can be found on the Directorate's Access to Government Information webpage.

The Directorate had 411 active applications during 2025–26. This included 51 applications active at the end of 2024–25 and 360 new applications received during 2025–26. As of 30 June 2026, 83 applications were undecided and carried over to 2026–27.

Table B7.1 sets out the number of access applications received by the Directorate and the status of those applications on 30 June 2026. Table B7.2 details the outcome of the 328 access applications closed in the 2025–26 reporting period.

Table B7.1 – Applications received and status

Applications received and decision type	Number
Applications received in 2025–26	360
Applications carried over from 2024–25	51
Applications carried into 2026–27	83
Applications closed in 2025–26	328

Table B7.2 – Application outcomes

Applications completed or finalised	Number
Applications completed with a decision under section 35 of the FOI Act	235
Applications where access to all information requested was given	36
Applications where the decision was a deemed refusal (section 39 of FOI Act)	4
Applications where access to only some of the information requested was given (partial release)	157
Applications where access to the information was refused	18
Applications where the Directorate did not hold the requested information	19
Applications where the Directorate refused to deal with the application	5
Applications transferred in full to another Directorate	6
Applications withdrawn by the applicant	30
Applications withdrawn and resolved outside of the FOI Act	22
Applications no longer required to be dealt with under section 34(6)(b) of the FOI Act	18
Applications received but not valid under section 30 of the FOI Act	13

Processing timeframes

Section 40(1) of the FOI Act sets out the number of days when an FOI access application must be decided. The time to decide on an application is 30 working days, unless extended under sections 40(2), 41 or 42.

Section 40(2) sets out when the time to decide an application is extended. For example, if a relevant third party is consulted, the period under subsection 40(1) is extended by 15 working days.

The FOI Act provides that the time to decide an application can also be extended by the applicant (section 41) or the ACT Ombudsman (section 42). The statutory timeframe for deciding an application is still met when extended under these sections. The number of applications extended by the applicant or Ombudsman is recorded in the table below as 'applications not decided within the time to decide under section 40'.

Table B7.3 sets out the timeliness of decisions made on access applications decided in 2025–26.

Table B7.3 – FOI processing timeframes

FOI processing timeframes	Number
Total applications decided within the time to decide under section 40	148
Applications not decided within the time to decide under section 40 (Extended under section 41 or 42)	87
For each application, days taken to decide over the time allowed under section 40(1), being 30 working days	1 day over (2 applications), 2(1), 3(2), 4(3), 5(1), 6(5), 7(1), 8(1), 9(1), 10(3), 11(1), 12(1), 13(1), 14(1), 15(4), 16(1), 17(1), 18(1), 19(1), 20(2), 21(1), 25(2), 28(1), 33(1), 34(1), 35(3), 36(1), 55(1), 62(1)
For each application, days taken to decide over the time allowed under section 40(2)(a), being 45 working days when subject to third party consultation	1 day over (2 applications), 2(2), 3(1), 4(2), 6(1), 8(3), 9(2), 10(1), 12(2), 13(1), 15(5), 18(2), 19(1), 20(3), 25(1), 26(2), 27(1), 29(1), 33(2), 43(1), 44(1), 50(1), 53(1), 86(1), 95(1)

Amendment to personal information

No applications for amendment to personal information under section 59 of the FOI Act were received, so no decisions were made to amend personal information under section 61 of the FOI Act.

Applications for review

Eight applications were made to the ACT Ombudsman for review of CED decisions on access applications under section 74 of the FOI Act in 2025–2026. Of the 8 review applications, 4 were finalised during the reporting period and 4 remained in progress. Of the finalised reviews, 3 were withdrawn and one was resolved informally. One review application made in 2024–25 also remains in progress.

There were no applications to the ACT Civil and Administrative Tribunal (ACAT) under section 84 of the FOI Act.

Fees

There were no fees charged to process access applications.

B8 Community Engagement and Support

Community engagement activities

CED is committed to giving Canberrans the opportunity to have their say. The Directorate strives to provide inclusive engagement opportunities for Canberrans to comment on the policy and programs that interest or impact them.

More than 45,000 Canberrans were reached in 2025–26 through 9 community engagement projects ranging from significant to routine activities across planning, environment, city services, climate change, energy, waste and water:

1. Healthy Waterways
2. Electrification
3. Options to Restore Lake Tuggeranong
4. Nature Conservation Strategy
5. Climate Change Strategy
6. Single use plastics
7. Torren Shops Parking
8. Welfare of Dogs in the ACT
9. Missing Middle Housing Reforms

Further information on CED's community consultation can be seen at the YourSay Conversations platform.

Missing Middle Housing Reforms

The most significant engagement activity was the Missing Middle Housing Reforms, which aimed to gather community and stakeholder feedback on proposed updates to the Territory Plan and a draft Housing Design Guide to support increased housing diversity, affordability and more efficient land use within established suburbs in response to population growth.

Engagement was delivered through the YourSay Conversations platform including an online survey, written submissions and a range of face to face and virtual activities such as pop ups, listening sessions, Q&As and information sessions. Engagement ran from 20 May to 5 August 2025 and involved residents, community groups and industry stakeholders. More than 15,000 visits were made to the webpage and 524 participants attended 19 engagement events, resulting in 650 survey responses and 70 written submissions.

Feedback indicated broad support for the reforms, with around 72% support recorded at engagement events and 58% satisfaction with the engagement experience presented. Participants highlighted the importance of increasing housing choice while maintaining neighbourhood character, quality design outcomes and Canberra's urban tree canopy. This feedback informed refinements to both the final Major Plan Amendment and Housing Design Guide.

The reforms were subsequently finalised and commenced on 1 July 2026, enabling increased housing choice in established suburbs and contributing to the ACT's long-term housing supply targets.

Public notification

In addition to its engagement program, the Directorate supports community input through public notification of statutory changes such as changes to the Territory Plan. These public notifications are supported through various communications channels as required. The Directorate used factsheets and 'easy explainer' documents to provide additional context for public notification, including for the proposed changes to Thoroughbred Park precinct area.

Promoting engagement

Communications channels for the Directorate continue to be utilised to promote opportunities for engagement. This included, but is not limited to, direct stakeholder communication, social media, traditional media outlets, digital media and partnerships with other directorates.

The Directorate continued to support stakeholder relationships through the ongoing **Environment, Transport and Planning Forum**, which meets 6 times a year. The forum continued to be well attended with robust discussions on key policy and program content. The forum was expanded to include topics from the transport portfolio, which was well received by members. Further information on the forum can be found on the Directorate's website, including a full list of current members and key topics covered throughout the reporting period.

Community grants and sponsorships

Grants executed during the reporting year are included under each grants/sponsorships program reported in this section. Grants executed in the previous reporting years but which continued to receive funding during the reporting period are out of scope and, as such, excluded. Information on grants programs is also available on CED websites.

Each grants program provides the program purpose, the overall grant amount available or granted, terms of the grants program, and a table that provides information on the grant recipient, project purpose and amount (excluding GST) granted as per the deed of grant.

Service Funding Agreements have not been included as these are out of scope. Details of Service Funding Agreements with a value of $25,000 or more, as applicable, are available on the **ACT Government Contracts Register**.

Companion Animal Grants

The Companion Animal Grants were introduced to support community organisations dedicated to improving animal welfare in the ACT to support pet rescue and rehoming efforts across the ACT.

Companion Animal Grants must be spent within the financial year in which the Deed of Grant is signed, noting 2 recipients have requested and been approved for extensions beyond the financial year.

Table B8.1 – Companion Animal Grants 2025–26

Recipient	Title/project purpose	Amount ($ excl GST)
ACT Pet Crisis Support	Subsidised veterinary care for low income pet owners	25,000
Pets in the Park	Free essential veterinary treatment for pets of people experiencing homelessness	25,000
Canberra Street Cat Alliance	Establish an in house neutering clinic to reduce veterinary costs	25,000
RSPCA ACT	Repair failed underfloor heating in 9 dog kennels	25,000
ACT Rescue and Foster (ARF)	Support behaviour improvement and rehoming programs	25,000
Canberra Pet Rescue	Deliver a desexing and essential veterinary care program	25,000
Labrador Rescue	Upgrade and expand the existing kennel facilities	25,000
Completely Rescued	Deliver a Community Animal Support Program	25,000
Total		**200,000**

Road Safety Fund

The ACT Road Safety Fund was established in 2015 to support the ACT Road Safety Strategy and is resourced by a road safety contribution levied on ACT vehicle registrations. It supports projects and initiatives that improve road safety outcomes for the ACT community and aligns with the ACT Government's Road Safety Strategy.

The Road Safety Advisory Board provides advice and recommendations to the Minister on the distribution of road safety funds, including the allocation of grant funding.

Table B8.2 – ACT Road Safety Fund Community Grants 2025–26

Recipient	Title/project purpose	Term of grant	Amount ($ excl GST)
Road Safety Education Ltd	Road safety workshops for young Canberra drivers	24 months	32,750
University of Canberra	Culturally tailored road safety education for diverse communities	15 months	38,248
Motorcycle Riders Association of the ACT	Motorcycle Safety Forum and MotoCAP education campaign	12 months	11,400
Kidsafe ACT	Safer travel education and support for children with disability and their families	15 months	15,000
Canberra College	Interactive road safety resources to support learner driver education	12 months	6,000
Safe System Solutions	Training to improve motorcycle-friendly road design and safety	15 months	29,100
St Vincents Primary School	Curriculum-aligned road safety learning for ACT primary students	15 months	8,000
Total			**140,498**

Community Garden Grants

The ACT Community Garden Grants are designed to support community gardens across Canberra that enhance community places and spaces. The program seeks to support a variety of garden types, providing important opportunities for people to grow and consume locally produced fresh food.

Other benefits include:

- providing opportunities for social interaction and physical activity
- celebrating cultural diversity
- providing spaces to connect with nature
- an increased understanding of food production challenges
- fostering a stronger sense of community.

ACT Community Garden Grants funds must be spent within 18 months of signing the Deed of Grant.

Table B8.3 – Community Garden Grants 2025–26 (Round 11)

Recipient	Title/project purpose	Amount ($ excl GST)
Rotary Club of Canberra Sundowners	Existing community garden enhancements	8,850
Northside Community Service	Community garden improvements at Treehouse in the Park Early Learning Centre	7,058
Canberra Spinners and Weavers Inc	Grow plants to produce natural dyes and fibres for community workshops and individual projects	8,200
Canberra Seed Savers Cooperative	Create a seed garden to promote food production in local communities	9,585
Forrest School P&C	Create a Serpent Sanctuary Garden in collaboration with their Indigenous education officer	7,500
Total		**41,193**

Communities Climate Action Grants

The Communities Climate Action Grants Program supports the ACT Government's commitment to working collaboratively with the ACT community to achieve climate change goals and become a climate ready city.

Grants are awarded to projects that:

- support diverse social groups to take action to reduce greenhouse gas emissions
- support diverse social groups to become climate ready by increasing adaptation measures to climate change impacts
- report on community reach, awareness and subsequent action as a result of the project.

Communities Climate Action Grants must be spent within 24 months of signing the Deed of Grant.

Table B8.4 – Communities Climate Action Grants 2025–26

Recipient	Title/project purpose	Amount ($ excl GST)
Mount Rogers Primary School P&C	Create a climate responsive naturescape to improve biodiversity and heat resilience	29,060
Australian Multicultural Action Network	Deliver culturally tailored sustainable practices workshops to diverse communities	12,500
Canberra Environment Centre	Deliver sustainability workshops for renters, young people and low income households	13,250
Southern ACT Catchment Group	Cooleman Farm Neighbourhood Park improvements	25,858
Yeddung Mura (Good Pathways) Aboriginal Corporation	First Nations water and gardening workshops and activities	30,000
ACT Council of Social Services	Present the ACT Community Sector Climate Adaptation Forum	10,000
Dual Sport Motorcycle Riders Association ACT	Replace petrol powered trail maintenance tools with electric alternatives	21,332
Rowing ACT	Replace petrol generators with solar power systems at regattas	8,000
Total		**150,000**

Supplementary Grants – Preparing Community Service Organisations for Climate Change

The ACT Government recognises the critical services provided by Community Service Organisations (CSOs), including in building and supporting community resilience. It is important that CSOs and their services are themselves resilient to the impacts of climate change, especially services that may be more in demand during periods of climate extremes.

Work continued from 2024–25 on a grant pilot to trial an adaptation toolkit developed by CED with the assistance of the ACT Council of Social Services (ACTCOSS) and sector partners. Nine CSOs undertook organisational climate risk assessments and completed board endorsed adaptation plans.

Concurrently, ACTCOSS continues work under grant funding to develop a community sector adaptation plan, which will be completed in the coming year. These grants are co-funded by the Commonwealth Disaster Ready Fund.

Energy Innovation Fund

The Energy Innovation Fund, formerly known as the Renewable Energy Innovation Fund, has invested $12 million since 2016 to promote a vibrant renewable energy sector in the ACT.

An additional $19 million was committed to the fund following the fifth round of the ACT renewables auction to support innovative energy technologies and solutions for net zero transformation.

The fund's objectives are to:

- support energy transition innovation to export outside the ACT
- support energy transition policy innovation in the ACT
- build energy innovation ecosystems in the ACT
- deliver ACT's energy innovation policy and industry development strategy.

The fund's 3 grant streams, which were open all year round with 6-monthly assessment deadlines, include the following grant streams:

- Technology Demonstration Grant
- Policy Challenge Grant
- Innovation Ecosystem Grant

An industry advisory board guides the fund. The board comprises 7 leaders from the renewable energy business and academic and innovation community.

Ten organisations were awarded grants totalling $3,720,683.17. All successful organisations must expend the funds within the timeframes nominated in the Agreement for the Energy Innovation Fund Grant. There is no specified timeframe except for the Technology Demonstration Grant, where applicants must achieve all project milestones within 3 years of commencement.

Table B8.5 – Energy Innovation Fund Grants 2025–26

Recipient	Title/project purpose	Amount ($ excl GST)
Learn2Fly	Support the launch of a cutting-edge electric aircraft training and maintenance hub in the ACT	750,000
Aratherm	Commercialising Electric Heat initiative to tackle industrial decarbonisation by making electric heating solutions more viable	450,000
CBRIN	Accelerate Canberra's Energy Transition project	195,000
ANU	Improve coordination of consumer energy resources to strengthen the ACT's energy transition	498,274
ANU Solar Racing	Support the student-led solar car project for the Bridgestone World Solar Challenge	30,000
Rewiring Australia	Support a 12-month program to accelerate household electrification and advance the ACT's net zero goals	299,750
ITP Renewables	Enhance openCEM platform, enabling better analysis of location-specific risks and investment decisions in the National Electricity Market	298,332.17
CSIRO	Pilot a Consumer Energy Resources Register for the ACT, improving visibility of assets like solar, batteries and EVs to support planning and market innovation	479,327
Roev Software	Develop a next-generation Fleet Electrification Agent to help organisations transition to electric vehicles	285,000
Pardalote	Develop a sensor and software system to reduce wind turbine blade damage through environmental monitoring and predictive modelling	435,000
Total		**$3,720,683.17**

ACT Environmental Grants

The ACT Environmental Grants Program supports community projects that enhance ACT's biodiversity and natural environment and assist the environmental volunteer community to undertake their important activities. The grants program is designed to assist community participation in the implementation of the ACT Nature Conservation Strategy and ACT Living Infrastructure Plan respectively.

The program includes 2 streams:

- Environment Grants Stream
- Environmental Volunteer Assistance Grants Stream

ACT Environmental Grants' funds must be spent within 12 months of signing the Deed of Grant. Recipients may request a deed variation to extend the term of the grant.

Table B8.6 – Environment Grants Stream 2025–26

Recipient	Title/project purpose	Amount ($ excl GST)
ACT Red Hill Bush Regenerators	Red Hill Nature Reserve weed control and revegetation	19,806
Friends of Mount Majura ParkCare Group and Molonglo Conservation Group	Support The Fair Weed Management Plan 2024–2029	27,350
Friends of Dryandra Woodlands and Molonglo Conservation Group	Big Creek line restoration	23,674
ACT for Bees and Other Pollinators	Connecting children to nature through bee hotels	4,735
Griffith and Narrabundah Community Association	Conservation Management Plan for Bass Gardens Park understorey/natural temperate grassland	9,801
The Campbell Community Association Inc, Campbell Park Care and Molonglo Conservation Group	Campbell Community Association: The Park Regeneration Project	19,688
Southern ACT Catchment Group	Riparian Rescue Stage 2 with Outward Bound	30,903
Mt Ainslie Weeders and Molonglo Conservation Group	Regeneration of Old Ainslie Tip at Mount Ainslie	19,250
Friends of Tuggeranong Hill and Southern ACT Catchment Group	Tuggeranong Hill woodland restoration	23,995
Friends of St Marks Grassland and Molonglo Conservation Group	St Mark's Grassland Volunteer Restoration and Conservation Project	35,000
Restoring Landscapes Australia	Connecting with Country, Community and Culture	33,200
Friends of Grasslands	Blue Gum Point Yarralumla restoration (year 6)	16,102
Conservation Council of the ACT Region	Branching out: Bringing Bush Buds Walks to new communities	34,950
Yeddung Mura (Goodpathways) Aboriginal Corporation	Yeddung Mura's Urban Parkland Project	35,000
Total		**333,454**

Table B8.7 – Environmental Volunteer Assistance Grants Stream 2025–26

Recipient	Title/project purpose	Amount ($ excl GST)
Wombat Support and Rescue ACT/NSW	Resources for volunteer recruitment and training	5,000
Ginninderra Catchment Group	Team Up on Lovegrass: A Hands-On Control Workshop	3,610
Ginninderra Catchment Group	Snakes in the Suburbs: Working beside our slithery friends	5,000
Friends of Tuggeranong Hill, Red Hill Regenerators, Parkcare and the Southern ACT Catchment Group	Promotional materials for Friends of Tuggeranong Hill and Parkcarers of the Southern Murrumbidgee	5,000
Croke Place Landcare and Ginninderra Catchment Group	Croke Place Open Day	3,680
Landcare ACT	Strengthening governance for volunteer growth	5,000
Total		**27,290**

Supplementary ACT Environmental Grants

The ACT Government has provided Supplementary Environment Grants to local environment-focused stakeholders and community groups to support key environmental work that falls outside other grants programs.

Grants executed in 2025–26 funded community-based environmental programs, environmental research and investigation, and supported citizen-science initiatives. This includes multi-year grants with the term of each grant indicated in Table B8.10. The table does not include grants that were executed in previous years but may still be under operation.

Table B8.8 – Supplementary ACT Environment Grants 2025–26

Recipient	Title/project purpose	Term of grant	Amount ($ excl GST)
ANU Linkage Eucalypt Genomics	Genomics for Native Forest	5 years	100,000
National Parks Association ACT	Population genetics of the Rosenberg Goanna	2 years	20,000
Ginninderra Catchment Group	Community Stewardship and Environmental Education Program 2025–26	1 year	155,000
Molonglo Conservation Group	Community Stewardship and Environmental Education Program 2025–26	1 year	155,000
Southern ACT Catchment Group	Community Stewardship and Environmental Education Program 2025–26	1 year	155,000
ACT Wildlife	Support for ACT Wildlife 2025–26	1 year	113,300
Landcare ACT	ACT Resilient Farms Program 2026–30	4 years	40,000
ACT Rural Landholders Association	ACT Resilient Farms Program 2026–30	4 years	30,000
Total			**768,300**

Heritage Grants

The ACT Heritage Grants Program is annual ACT Government funding to assist the community in working to conserve, promote and understand the heritage of the ACT.

ACT Heritage Grants funds for individual projects must be spent within 12 months of signing the Deed of Grant. Recipients may request a deed variation to extend the term of the grant.

Table B8.9 – Heritage Grants 2025–26

Recipient	Title/project purpose	Amount ($ excl GST)
St John's Anglican Church	Conserving St John's exterior stone fabric	17,947
The Canberra Raiders	Celebrating 100 years of Northbourne Oval	21,030
St Paul's Anglican Church Manuka	Refurbishment of the western doors at St Paul's	8,686
St Ninian's Uniting Church	Gutter remediation on an old stone church	3,525
St Joseph's Catholic Church	Door conservation	32,850
St Christopher's Cathedral Manuka	Digitisation of St Christopher's Cathedral Manuka records	2,288
National Parks Association ACT	Protecting rock art sites in Namadgi National Park	17,151
University of Canberra	Exploring community awareness and engagement activities with ACT cultural heritage places using an AI-based storytelling approach	42,123
Engineers Australia ACT	Recognition of Canberra's initial outfall sewer	3,850
Hyatt Hotel Canberra	Conservation Management Plan renewal	24,365
ACT Writers Centre	She writes history	16,054
ACT Hub	Centenary celebration of the Causeway Hall	2,752
Anne McGrath	Essential conservation works at Majura House	20,212
Total		**212,833**

Affordable Housing Project Fund

The Affordable Housing Project Fund supports community housing providers and build-to-rent operators to:

- grow the supply of affordable housing rental properties in Canberra
- strengthen the community housing sector.

More than 800 new affordable rental homes will be supported through the Affordable Housing Project pipeline.

Table B8.10 – Affordable Housing Project Fund Grants 2025–26

Recipient	Title/project purpose	Term of grant	Amount ($ excl GST)
Housing Plus	15 affordable rental homes in Taylor	15 years from the start of affordable rental homes	$4.5 million
CHC – CPCYC Turner One Limited	45 affordable rental homes in Turner	15 years from the start of affordable rental homes	$10.99 million
CHC Taylor One Limited	34 affordable rental homes in Taylor	15 years from the start of affordable rental homes	$6.19 million
Wesley Curtin Limited	83 affordable rental homes in Curtin	15 years from the start of affordable rental homes	$15.9 million (estimate subject to indexation and final LVC figures)
Total			**$37.58 million**

Affordable Community Housing Land Tax Exemption Scheme Grant Program

This grant program provides a total of $500,000 over 4 years to help community housing providers manage and expand affordable rentals under the scheme. The program targets community housing providers.

The program also contributes to increasing affordable rental homes in the ACT as part of the broader work to grow affordable housing supply.

Table B8.11 – Affordable Community Housing Land Tax Exemption Scheme Grant Program 2025–26

Recipient	Title/project purpose	Term of grant	Amount ($ excl GST)
YWCA Canberra	Support the Affordable Land Tax Exemption Scheme	4 years (2025–26 to 2028–29)	$250,000
Community Housing Canberra Limited trading as Homeground Real Estate Canberra	Support the Affordable Land Tax Exemption Scheme	4 years (2025–26 to 2028–29)	$250,000
Total			**$500,000**

MyHome Funding Agreement

The MyHome project in Curtin is designed to provide long-term supported residential accommodation and care for 15 individuals with enduring mental illness who face barriers to accessing the private rental market.

During 2025–26 a funding agreement was executed to provide $9.5 million in ACT Government funding to support construction of the project. This is in addition to $500,000 previously agreed for the design stage of the project.

The MyHome project has been successful for support through Round 1 of the Housing Australia Future Fund Facility as part of a joint MyHome/Wesley Mission affordable rental project.

Table B8.12 – My Home Funding Agreement 2025–26

Recipient	Title/project purpose	Term of grant	Amount ($ excl GST)
Wesley Curtin Limited	15 supportive housing dwellings in Curtin	1 year after all properties are tenanted	$9.5 million
Total			**$9.5 million**

Sponsorships

Transport Canberra supported community initiatives during the year as follows.

Table B8.13 – Transport Canberra Sponsorships

Recipient	Title/project purpose	Term of grant	Amount ($ excl GST)
Sharing Places Bus Shelter Painting	Holt and Pearce Community Hub bus stop art project	2025	$1,533
Menslink Big Night Out	6-month full back bus advertising campaign	2025	(event auction item, valued at $5.5K)
OATSIA – Bus Shelter Mural	Reconciliation Competition mural at O'Connor Shops stop 4609	2026	$766.50
Belconnen Arts Centre (BelcoArts)	NAIDOC in the North – RAP wrap bus onsite for passenger education	2025	$370.90
Council of the Ageing (COTA)	ACT Seniors and Better Ageing Expo (24 September 2025)	2025	$1,660
Community Services #1	NAIDOC in Woden – integrated ticketing for attendees	2025	$210.40
NAWIC ACT Events Night	2 shuttle buses to support event egress	2025	$484.65
Rock for Reconciliation	2 shuttle buses operating throughout event (Regatta to City Interchange)	2025	$1,704.90
ANZAC Day 2026 – Australian War Memorial	20 buses and drivers, extended depot operations, additional TO and CSO, partial cost recovery	2026	$18,500
Reconciliation Day – Commonwealth Place	Shuttle services and integrated ticketing	2026	$4,050
Donate life	Bus back	2025–26	$995
Amplify Contra	Charter of services for Skyfire 2026 with amplifyCBR	2026	$37,000
Pack the Bus	Bus, driver and supporting transport officer for gift collection	2025	$40,500
Total			**$113,275.35**

B9 Aboriginal and Torres Strait Islander Reporting

Progress in implementing both the National Agreement and ACT Agreement

The merging of multiple entities into CED means the Directorate is now managing almost 100% of land within the ACT rural and urban landscape. CED has been working through 2025–26 to understand all activities and responsibilities on Country within its remit.

CED has embedded governance structures and partnerships to support implementation of the National Agreement, with a focus on shared decision-making, strengthening the community-controlled sector and transforming internal systems. To support CED's responsibilities under the National and ACT agreements, the Directorate established a First Nations Steering Committee named 'Wanggirali' (meaning listen; to give attention to someone or something in order to hear him, her or it).

The Wanggirali Committee comprises equal membership between senior executive and CED Aboriginal and Torres Strait Islander staff at all levels. CED's Aboriginal and Torres Strait Islander Elected Body representative is also a member. Wanggirali operates as an oversight committee for responsibilities under the National and ACT agreements; it enables First Nations voices to be heard and inform decision making within the Directorate.

Priority reforms under the National Agreement

Priority Reform 1 – Formal partnerships and shared decision making

CED continued to advance shared decision-making through formal governance arrangements with Aboriginal and Torres Strait Islander stakeholders. Key actions included progressing the reinstitution of the Dhawura Ngunnawal Caring for Country Committee (DNCCC) and the establishment of the Boomanulla Oval Interim Management Committee (BOIMC) in partnership with the Aboriginal and Torres Strait Islander community.

Details are provided under Review and Accountability Processes – Key Initiatives.

Strategic engagements

First Nations community engagement

The former EPSDD Traditional Custodian Engagement team has evolved into the CED First Nations Engagement team. CED's management of Country now encompasses almost all urban and rural lands and waters of the ACT, increasing the need for inclusion and engagement with the Traditional Custodian community.

The First Nations Engagement team provides support to line areas to facilitate inclusion of Traditional Custodian and broader First Nations perspectives in policy, program and project development and implementation. The team will support line areas to implement an engagement approach that enables and empowers the principles of self-determination and a more inclusive, transparent and open relationship with the Traditional Custodian and First Nations communities to ensure their views and aspirations are included. The team is building the capacity to work across an expanded remit of work as part of the process to improve engagement and relationships with the ACT First Nations community in line with Traditional Custodian rights and protocols.

The team also seeks to strategically manage engagements to minimise the risk of consultation fatigue and overburdening the community. It encourages all business units to seek advice about any anticipated community engagements or inclusion opportunities.

Climate Change Strategy

The Directorate engaged Burbirra Group Pty Ltd to deliver stakeholder engagement services to inform the development and implementation of the ACT Climate Change Strategy 2026–36. The work includes the design and delivery of targeted engagement with Traditional Custodians and broader Aboriginal and Torres Strait Islander communities with connections to the ACT, as well as associated evaluation and reporting. This work is anticipated to conclude by late 2026.

Nature Conservation Strategy

Traditional Custodians were engaged in the development of the draft Nature Conservation Strategy, specifically in the development of targets.

Public Unleased Land Act Review

During the review of the *Public Unleased Land Act 2013*, City Presentation provided advice supporting amendments to strengthen recognition of Aboriginal and Torres Strait Islander cultural values and connections to Country.

Proposed changes include a new cultural objective for the Act and provisions to enable Traditional Custodian activities on public land, such as cultural walks, cultural burning and access to biological resources.

Legislative development and consultation will continue in 2026–27.

Priority Reform 2 – Building the community-controlled sector

Homes and land supply

The ACT Government is committed to increasing the proportion of housing services delivered by Aboriginal Community Controlled Organisations (ACCOs) in accordance with Clause 55 of the National Agreement on Closing the Gap through investment, capacity building and supporting new and existing ACCOs.

In 2025–26 the Directorate worked with the Aboriginal Services Development Branch within the Health and Community Services Directorate, the Aboriginal and Torres Strait Islander community, ACCOs and Government partners to deliver on the National Agreement Priority Reform 2: Building the community-controlled sector.

CED contributed to the Housing National Policy Partnership and recently established Data Sovereignty National Policy Partnership by providing input for HPP meetings, the Housing Sector Strengthening Plan and jurisdictional updates through the Aboriginal Services Development Branch.

CED developed a range of opportunities to support ACCO community housing providers to deliver more housing services in the ACT, including supporting ACCOs to acquire land through the Affordable Housing Project Fund and apply for Commonwealth funding through the First Nations Stream of the Housing Australia Future Fund.

In June 2026, the ACT Government announced that Yerrabi Yurwang was successful in receiving financial assistance from the Affordable Housing Project Fund to purchase a site in Moncrieff. The 2026–27 Budget included funding to support Yerrabi Yurwang to design an affordable housing development on the site and apply for Round 3 of the Housing Australia Future Fund. The ACT Government also agreed to guarantee loans required by Yerrabi Yurwang for projects approved by Housing Australia as part of Housing Australia Future Fund Round 3.

On 20 May 2026, the Territory Planning Authority granted a Crown Lease (Community Lease) at 100% concession to Winnunga Nimmityjah Aboriginal Health and Community Services Limited for Block 2 Section 84 Watson to own and operate an Aboriginal and Torres Strait Islander residential alcohol and other drugs rehabilitation facility.

Climate change and energy

Following a successful 2024–25 pilot, Yeddung Mura (Good Pathways) Aboriginal Corporation was engaged to help deliver the Home Energy Support Program. The contract provides funding through to June 2027.

The contract includes co-design and delivery of culturally appropriate community-led services in partnership with First Nations stakeholders and the ACT Government. Funding supports direct service delivery by an ACCO including in-home visits, empowerment yarning circles, referrals and advocacy.

The contract requires personnel delivering services to be culturally competent and positions Yeddung Mura as a key partner in designing and delivering services that are responsive to Aboriginal and Torres Strait Islander community needs. The arrangement demonstrates the ACT Government's use of contracted ACCO expertise to lead culturally informed program design, engagement and delivery rather than relying solely on government-led approaches.

Further funding was provided in the 2025–26 budget to expand the program to engage a second ACCO, providing greater support for the First Nations community.

Priority Reform 3 – Transforming government organisations

CED continued to strengthen the cultural capability of its leaders and workforce to embed cultural integrity across the Directorate, supporting a shift from symbolic actions to sustainable, business-as-usual practices.

Following the formation of CED, key actions from the former TCCS Stretch Reconciliation Action Plan (RAP) were adopted, with dedicated funding retained to deliver outstanding commitments. These included:

- a cultural capability survey for executives
- promotion of leadership opportunities through a national First Nations employment register
- leadership development opportunities for First Nations employees
- engagement with Traditional Custodians
- participation in and support of the ACT NAIDOC Ball and the incorporation of NAIDOC themes into public-facing assets such as the Light Rail Vehicle (LRV).

Cultural integrity

In March 2026, CED strengthened its cultural integrity capability through the appointment of an Assistant Cultural Advisor, expanding the Directorate's capacity to support cultural initiatives and engagement.

Throughout the year, cultural advisors undertook professional development in cultural integrity and worked across the Directorate to build awareness and capability. This included engaging with business areas to promote practical approaches to embedding cultural integrity in everyday operations; discussions focused on cultural safety, effective engagement with First Nations communities and organisations and the importance of trust-building and truth-telling as foundations for co-design.

The Cultural Advisor participated in the ACT Government's Wanggirali network from October 2025, providing a forum to share examples of effective practice, identify areas requiring additional support and elevate the perspectives of First Nations employees within CED. The role continued to support governance and accountability through regular reporting to the RAP Committee and participation in the Whole-of-Government Cultural Advisor Network, ensuring alignment with broader public sector initiatives and emerging practice.

In June 2026, CED increased its focus on accountability for Closing the Gap outcomes following amendments to the Public Sector Management Act 1994 that came into effect on 1 July 2026. Members of the Senior Executive Service participated in mandatory workshops facilitated by CMTEDD, complemented by a Directorate-specific workshop delivered by the Cultural Advisor. These sessions supported all CED executives to develop meaningful and achievable cultural integrity and Closing the Gap commitments within their performance agreements. The workshops emphasised practical actions to strengthen cultural safety, improve responsiveness to the needs of First Nations people in the ACT and build trust through authentic engagement and partnership.

This initiative reflected CED's ongoing commitment to working collaboratively with First Nations communities to improve outcomes and contribute to Closing the Gap priorities.

General cultural competency profile

To strengthen cultural integrity across the Directorate, CED Senior Executive Service members completed the General Cultural Competency Profile administered by Indigenous Psychological Services. The profile provides a baseline assessment of cultural capability and understanding of issues affecting Aboriginal and Torres Strait Islander peoples in contemporary Australia.

Senior Executive Service members also participated in facilitated workshops and yarning sessions that explored Australia's shared history, including the impacts of discrimination and systemic racism, the importance of truth-telling, and First Nations' cultures, governance and kinship systems. These activities supported executive leaders to deepen their understanding of Closing the Gap priorities and their role in advancing culturally informed leadership.

Building on this foundation, Senior Executive Service members have committed to strengthening engagement with Aboriginal and Torres Strait Islander peoples and communities to build trust, support meaningful partnerships and enable co-design in policy development, service delivery and decision-making.

Priority Reform 4 – Shared Access to Data and Information at a Regional Level

CED is contributing to this priority reform area, engaging with Digital Canberra and CMTEDD on whole-of-government initiatives relating to Indigenous Data Sovereignty. Additionally, CED continues to progress work to improve management of cultural heritage data. Details are provided under Review and Accountability Processes – Key Initiatives.

Review and accountability processes

In November 2025, the Elected Body presented the ACT Aboriginal and Torres Strait Islander Elected Body Report from Hearings 12–14 August 2025 Thirteenth Report: 'Truth Through Transparency': A Turning Point Report (Hearings Report) to the ACT Government. The Government response was tabled in the Legislative Assembly in May 2026.

CED is the lead directorate for 4 of the 56 recommendations arising from the Hearings Report:

- Recommendation 11 – Embed Aboriginal and Torres Strait Islander housing priorities within the ACT Housing Strategy (Agreed in principle)
- Recommendation 16a – Transfer management of Community assets to Aboriginal control: Boomanulla Oval (Agreed in principle)
- Recommendation 22 – Embed Community-led decision making in environmental and heritage governance (22a-c Agreed in principle, 22d Noted)
- Recommendation 35 – Share cultural heritage data under Community control (Agreed in principle)

Progress updates for recommendations that are agreed or agreed in principle are provided under key initiatives below.

CED is supporting whole-of-government-led initiatives that address recommendations arising from the Independent Led Review into Closing the Gap and the Productivity Commission Review.

Key initiatives

CED is leading the following key initiatives that address the National Agreement for Closing the Gap, the ACT Aboriginal and Torres Strait Islander Agreement Phase 3, Elected Body recommendations and ACT Government commitments.

Table B9.1 – CED Key initiatives

Key Initiatives progress update	
Transfer of management of Boomanulla Oval to Aboriginal Community control	
Alignment:	ACT Agreement – Community Leadership: Phase 3 Action 9 National Agreement – Priority Reforms 1, 2 and 4 Hearings Report – Recommendation 16 Government Commitment – 222: Work with the Elected Body to establish an interim management committee for Boomanulla Oval

Key Initiatives progress update	
Government Response to Hearings Report: Agreed in principle **Status:** Underway	During 2025–26, work focused on establishing the foundations for the interim governance arrangement and transition planning for Boomanulla Oval. This included engagement between the ACT Government and the Elected Body, development and implementation of an Expression of Interest process for community representation and progression of arrangements to establish a joint Aboriginal–Government Interim Boomanulla Management Committee. Work commenced to develop draft operating protocols covering bookings, safety, communications and financial management, and to consolidate key operational, asset, compliance and governance information to support committee oversight and the transition to community control. The committee was established as a shared governance model between the ACT Government and the Aboriginal and Torres Strait Islander community to guide the management, revitalisation and activation of the facility during the transition period. Through this work, the Committee will provide cultural leadership and advice; oversee the interim management of the Oval as a culturally safe, Community-led hub for sport, health, culture and youth development; and develop a community-led plan outlining the preferred approach to transferring ownership and management to an Aboriginal Community-controlled organisation. The committee was established in July 2026 for an initial period of 18 months or until transfer of full management to an Aboriginal Community-controlled entity is completed.
Formalise shared governance for Namadgi and key cultural sites	
Alignment:	ACT Agreement – Community Leadership: Phase 3 Action 10 National Agreement – Priority Reform 1 Hearings Report – Recommendation 22 Government Commitment – 207: Continue to work in partnership with the Dhawura Ngunnawal Caring for Country Committee (DNCCC) to protect cultural sites and to sustainably care for the lands of the ACT
Government Response to Hearings Report: 22a – Agreed in principle 22b – Agreed in principle 22c – Agreed in principle 22d – Not agreed **Status:** 22a – Underway 22b – Not Commenced 22c – Ongoing	Phase 3 Action 10 and recommendation 22A and 22B This action needs to be progressed in a manner that recognises the specific interests of the Ngunnawal community and other family groups. Due to the complexity of these considerations, it is unlikely that a legally binding co-management agreement will be achieved within the 2-year timeframe. However, CED remains committed to progressing co-management through a formal partnership and shared decision making with apically connected Traditional Custodians in line with Priority Reform Area 1. The first step is to reinstitute the DNCCC, consistent with the agreed recommendations of the independent review. DNCCC meetings have been paused since September 2024 while the review was undertaken. The report was shared with former DNCCC members in May 2026, who requested 6 weeks to review it. CED will use member feedback to guide the DNCCC's reinstitution, supported by a facilitated community process focused on self-determination. While this is underway, CED continues to provide opportunities for Traditional Custodians to participate in the development of reserve management plans. Culturally appropriate collaboration with Traditional Custodians on the development of reserve management plans supports self-determination and cultural integrity in relation to the management of the ACT's conservation estate. Recommendation 22c Traditional Custodians are represented on multiple advisory bodies and decision-making Committees legislated in CED portfolios including: • ACT Heritage Council (statutory) • ACT Climate Change Council (statutory) • ACT Natural Resource Management Advisory Committee (non-statutory) • ACT Place Names Committee CED continues to review representation and membership of boards and committees through membership renewal processes as they arise.

Key Initiatives progress update	
Embed Aboriginal and Torres Strait Islander housing priorities within the ACT Housing Strategy	
Alignment:	National Agreement – Priority Reform 1 and Housing Sector Strengthening Plan Hearings Report – Recommendation 11
Government Response to Hearings Report: Agreed in principle **Status:** Underway	The ACT Government is committed to increasing the proportion of housing services delivered by Aboriginal Community Controlled Organisations (ACCOs) in accordance with Clause 55 of the National Agreement on Closing the Gap through investment, capacity building and supporting new and existing ACCOs. The ACT Housing Strategy: Implementation Plan Update (February 2026) has been published and is available on the ACT Housing Strategy website. This update reflects ACT Government's commitments through the ACT Agreement and the National Agreement, aligning with the Housing Sector Strengthening Plan and National Agreement on Social Housing and Homelessness. Ongoing implementation of the Housing Strategy is monitored through the annual Housing Strategy Report Cards and directorates' annual reports. Further information is provided under Priority Reform 2.
Share cultural heritage data under Community control	
Alignment:	National Agreement – Priority Reforms 4 Hearings Report – Recommendation 35
Government Response to Hearings Report: Agreed in principle **Status:** Underway	Achieving this action requires both system transformation and ongoing investment in data quality, governance and management. System improvements alone will not deliver this outcome, and significant work remains necessary to cleanse, standardise and govern heritage data to support future culturally appropriate access and sharing arrangements. ACT Heritage continued to improve the quality, completeness and management of Aboriginal cultural heritage data to support future culturally appropriate data sharing arrangements. During 2025–26, Aboriginal heritage spatial data increased from approximately 3,300 to more than 5,100 mapped sites through the digitisation and consolidation of heritage records. Improvements to data governance, including implementation of enhanced access controls for culturally sensitive information and improved data quality measures, support future consideration of appropriate access and sharing arrangements with Traditional Custodians and Aboriginal community representatives. Under the Heritage Act 2004, the Heritage Council has statutory responsibility for decision making on inclusion of places on the ACT Heritage Register and impacts to all heritage places and objects including Aboriginal places and objects. Future community-led governance arrangements may consider how culturally sensitive information is managed, accessed and shared, including through Heritage Council policies, protocols and decision-making processes. However, any changes to the statutory arrangements would require consideration of the existing legislative framework and, where necessary, legislative amendment. Work is underway to map the key policy and practice issues to deliver this action to inform engagement with Traditional Custodians and the Government. CED is establishing a CED Indigenous Data Sovereignty Working Group to explore how Indigenous data governance could be implemented more broadly across the Directorate and how to engage with Traditional Custodians to achieve this long-term goal.

Key Initiatives progress update	
Inland water target	
Alignment:	National Agreement Target 15c – Priority Reforms 1, 2, 3 and 4
Status: Underway	In November 2025, the ACT Government provided in principle agreement to the development of an ACT Inland Waters Target. The ACT Office of Water has commenced foundational work required to set an ACT-specific target. This includes progressing a water resource assessment, supporting improvements to water data systems and water trade frameworks, and completing the First Nations Engagement and Facilitation Program to better understand community values and aspirations relating to water. The Office of Water is preparing to strengthen engagement and partnership with Traditional Custodians for developing a target or targets. It continues to work with the Aboriginal and Torres Strait Islander Elected Body to progress investigations into governance and resourcing requirements to support future culturally appropriate engagement and shared decision-making.

Programs, Projects and Service Delivery

CED delivers a broad range of programs, projects and services that support Aboriginal and Torres Strait Islander peoples and strengthen connections to Country, culture and community. Working with Traditional Custodians, ACCOs and Aboriginal businesses, the Directorate is committed to embedding First Nations knowledge and perspectives across its operations, strengthening cultural connections and creating opportunities for Aboriginal and Torres Strait Islander peoples to pursue their aspirations.

Environment, Heritage and Parks

Programs to protect and manage culturally significant areas are facilitated through the ACT Natural Resource Management Program, the Office of Nature Conservation, Parks and Conservation and ACT Heritage.

KickStart My Career Through Culture

Delivered by ACT NRM in partnership with local First Nations businesses, Kickstart My Career Through Culture (Kickstart) is a culturally grounded education and engagement program designed for disengaged students who benefit from hands-on, culturally enriching learning experiences. The program delivered in ACT public schools has 2 arms: the Kickstart Culture and Country Program for Years 7–10; and the Kickstart Youth Conservation Program for Years 10–12. It runs weekly throughout each school term.

Kickstart creates a space where identity, relationships and experiential learning come together to support student wellbeing and long-term success. By learning from local community members, including Ngunnawal Elders, students develop a greater appreciation for First Nations culture, a stronger connection to place and practical skills that enhance their educational and vocational pathways. The program also leverages the expertise of teams across the Directorate, including the Office of Nature Conservation, Parks and Conservation Service and the Biosecurity and Fire Management Unit, providing participants with direct exposure to environmental careers and conservation practices.

During 2025–26, the Kickstart program engaged 77 young people from ACT schools. To further strengthen pathways into employment and accredited training, ACT Natural Resource Management partnered with Aboriginal business 18fifty3 to deliver nationally recognised training for participants commencing in 2026.

The program will also be supported by the Yurana Centre in Bruce, which will provide a dedicated classroom and learning space to complement the practical, on-Country components of the program.

Yurwan Ghuda 'On Country'

Yurwan Ghuda means strong children in the Ngunnawal language. Developed and delivered in partnership with the Justice and Community Safety Directorate, the program focuses on engaging First Nations children early in life to 'kickstart' them on a positive trajectory. Yurwan Ghuda is intended to help reduce the over-representation of Aboriginal and Torres Strait Islander people who encounter the criminal justice system at an early age.

During 2025–26, the Yurwan Ghuda program engaged 20 students through immersive, hands-on learning experiences delivered in a safe and culturally supportive environment. From the beginning of 2026 the program was delivered in partnership with Aboriginal business Culture on the Move, which facilitates the cultural components of the program alongside the ACT NRM team. Through this partnership, students learn from experienced Aboriginal facilitators and knowledge holders while participating in activities that strengthen cultural identity, build confidence, improve school engagement and foster positive relationships with peers and mentors.

The continued delivery of Yurwan Ghuda demonstrates the Directorate's commitment to culturally responsive education and creating meaningful pathways for young First Nations people to thrive.

First Nations Conservation Training Program

The First Nations Conservation Training Program is designed to engage Ngunnawal community members in on-Country environmental projects. Over 4 years, 8 participants (in four 2-year blocks) will be engaged in practical on-ground conservation projects delivering positive environmental outcomes for the ACT.

The program, which is facilitated by ACT NRM in conjunction with 18Fifty3, started in January 2025 and is due to run until December 2028. The program has been a significant success, with all participants in the first cohort having now completed the Certificate III in Conservation and Land Management. The group has received significant on-the-job training by undertaking a range of restoration activities. The group has also been involved in Ngunnawal Elder-led cultural activities. The next cohort intake for the program will be sought in the 2026–27 financial year.

Caring for Country Program

The Caring for Country program is a continuation of the Healing Country, Healing Community Initiative. Four Ngunnawal Cultural Advisors from the community (2 men and 2 women) partnered with CED ecologists and land managers to develop an ecocultural project centred around habitat restoration sites to bring Indigenous knowledge and western science together to heal Country. This work has created a different model for Ngunnawal engagement and provides opportunities for Traditional Custodians to restore or strengthen their connections to Country.

During 2025–26, the Caring for Country partnership held events for the Ngunnawal community, including a Namadgi On-Country Day, Seed Collection Day with Australian National Botanic Gardens staff, an Emu Day and a Yam Daisy Festival. Several workshops and on-Country days were held to learn and explore topics such as vegetation monitoring, the reintroduction of emus into Namadgi as a restoration tool, collecting and cleaning native seed, making cultural tools, development of a restoring wheel to use for cultural monitoring, a draft reflections report and the development of a virtual reality piece of 4 cultural heritage sites in Namadgi.

Re-emergence of First Nations burning in contemporary grassy woodlands

The Australian National University, in partnership with the ACT Government, CSIRO and Ngunnawal community, is leading an Australian Research Council linkage project, 'Re-emergence of First Nations burning in contemporary grassy woodland'. The project implements a First Nations-led burning program and monitors the relative ecological responses of the woodland ecosystem values, including elements that influence fire risk.

The Ngunnawal Fire Working group has met on several occasions, with Ngunnawal fire practitioners providing advice on the project regarding appropriate sites for burning in box-gum woodland. Basic firefighter training was provided to 15 Ngunnawal community members to help break down systemic barriers.

Planning sessions have been held with community members to deliver a Cultural Indicators Workshop with community to co-develop approaches for monitoring health of Country. This workshop is now scheduled for August 2026. The project will see Ngunnawal practitioners commence the first burn on Country during 2026, with burns scheduled each year after that until 2029. The project aims to have 6 burns a year across Ngunnawal Country both in the Yass region and the ACT.

ACT Environment Grants

An ACT Environment Grant was awarded to Yeddung Mura Aboriginal Corporation for the Yeddung Mura Urban Parkland Project.

ACT Heritage Grants

An ACT Heritage Grant was awarded to the National Parks Association ACT to support the restoration and protection of Aboriginal rock art sites in Namadgi National Park. The project is due to be completed by 30 April 2027. This timeframe includes consultation with Representative Aboriginal Organisations.

Climate Change, Energy, Water and Waste

The Office of Water First Nations Engagement and Facilitation Program

The Office of Water First Nations Engagement and Facilitation Program explored a range of important themes related to water management, such as cultural flows, water management governance, restorative cultural practices and knowledge sharing with community. Phase 1 consultation provided valuable insights into First Nations perspectives on water management and opportunities to strengthen First Nations participation in water planning and decision-making.

Phase 2, undertaken in August and September 2025, focused on applying and validating Phase 1 insights through engagement on the ACT Water Strategy, ACT and Region Catchment Guidelines, ACT Environmental Flow Guidelines, Healthy Waterways catchment planning, and the ACT Long-term Watering Plan. Feedback from this phase informed the development of these documents. Lessons from the program continue to inform the development of ACT water policies and programs.

Aboriginal Water Assessments

Ngunnawal Aboriginal Water Assessments (AWA) continue in the Upper Murrumbidgee Catchment. The AWA serves as a tool created by First Nations peoples to further their rights and interests concerning water planning and management. It enables Traditional Custodians to evaluate the health of their Country and establish priorities for managing water and natural resources.

During 2025, the AWA indicated a demand for increased water flows in the Murrumbidgee to support the river, land and interconnected ecosystems and communities. Community is eager to utilise this information to enhance river health and advocate for improved water flows and greater opportunities for Traditional Custodian management.

Further information can be found in the 2025 Catchment Health Indicator Program (CHIP) Report.

First Nations Home Energy Program

Following a successful 2024–25 pilot, 4 years of funding was secured to scale up the program. Yeddung Mura (Good Pathways) Aboriginal Corporation was engaged to continue delivering services co-designed with the Territory during the pilot. Activities are underway to engage additional partners from 2026–27 to broaden program reach, strengthen community-led approaches and build sector-wide capacity.

In 2025–26, 17 households participated in the program, accessing a range of activities including home energy visits, installation of draught-proofing materials and energy-focused yarning circles. The yarning circles provided opportunities for peer learning and support, helping participants build their knowledge and confidence in managing household energy use and bills. Together, these activities help households make simple changes at home to reduce energy consumption and costs while maintaining thermal comfort.

Supporting community organisations to prepare for climate change

As part of the pilot, Corroboree Group Pty Ltd, an Aboriginal-led enterprise, received $15,000 in grant funding to undertake a guided climate impact risk assessment of its organisation and develop an adaptation plan to inform business planning over time. The project was successfully completed in 2025–26.

City Operations

City Presentation community engagement and programs

During 2025–26, key activities undertaken by the Aboriginal and Torres Strait Islander Community Engagement and Programs Officer to support culturally inclusive practices included:

- working across a broad range of City Presentation programs and services to strengthen relationships with Aboriginal and Torres Strait Islander communities and support culturally informed decision-making
- facilitating community access to Boomanulla Oval, in partnership with Sport and Recreation, providing advice and support to community members on a variety of matters
- working collaboratively with project teams to incorporate Aboriginal cultural perspectives into initiatives such as the Watermarks project
- working closely with the Ngunnawal community and project stakeholders on planning for the Acton Waterfront (Ngamawari) precinct
- supporting engagement on the Australian Institute of Aboriginal and Torres Strait Islander Studies Ngurra project, helping to ensure cultural knowledge and community perspectives informed project development.

The officer also provided cultural advice to operational and planning teams across the Directorate. The officer supported the identification and protection of culturally significant trees and heritage sites, including involvement in efforts to preserve a culturally significant ring tree in Belconnen. Collaboration with Natural Resource Management, Urban Treescapes and volunteer program staff helped ensure environmental management, volunteer activities and service delivery considered cultural values and connections to Country.

In addition, the officer provided mentoring and support to Aboriginal and Torres Strait Islander employees, fostering professional development and cultural connection within the workplace. As co-chair of the Reconciliation Action Plan Committee, the officer played an important role in advancing reconciliation initiatives across the Directorate and providing ongoing cultural guidance to staff to support respectful engagement with Aboriginal and Torres Strait Islander communities.

Urban Treescapes

During 2025–26, Urban Treescapes staff supported the preservation of cultural heritage by salvaging a section of a culturally significant ring tree following the failure of a tree at Boomanulla Oval. The salvaged timber has been retained for future cultural reuse, ensuring the significance of the tree can continue to be recognised and interpreted.

The team also contributed to the delivery of the broader Watermarks project by preparing and supplying logs and mulch and working closely with engineers and project partners to facilitate the installation of the Ngunnawal Dry Creek Sculpture and associated landscape elements. This work supported the creation of culturally meaningful public spaces that celebrate Ngunnawal stories, knowledge and ongoing connection to Country.

Yeddung Mura Soft Landing Employment Program

Yeddung Mura's Soft Landing Employment Program assists individuals exiting the Alexander Maconochie Centre through a structured 52-week initiative that offers practical work experience, helping participants prepare for employment post-release. Attendees practise working on the provided land during the program, providing them with recent work experience on their resumé. The Directorate continues to support the program by providing land access and continues to explore further opportunities to work in partnership with Yeddung Mura to strengthen the program.

Indigenous artworks and infrastructure upgrades

The Graffiti and Street Art Program takes a progressive approach to managing graffiti by using street art to create vibrant, inclusive public spaces. Murals featuring contemporary Aboriginal and Torres Strait Islander and Ngunnawal artworks are commissioned across shopping centres, parks and skate parks.

The inclusion of Aboriginal and Torres Strait Islander artworks and native plantings creates a stronger connection between local communities, culture and the places people use every day. By partnering with local Aboriginal and Torres Strait Islander artists to incorporate culturally significant plant species and artwork, these upgrades celebrate Country, support local creative industries and businesses, and embed cultural storytelling within the public realm. This approach enhances place-making by creating spaces that reflect local identity and heritage, while also providing opportunities for residents and visitors to engage with culture in everyday moments, such as walking to the shops, meeting friends or running errands. The result is a more welcoming, distinctive and culturally rich environment that fosters a deeper sense of belonging and connection to place.

Ngunnawal Watermarks

City Presentation supported the final implementation of the Ngunnawal Watermarks Project between May and August 2025. Working in partnership with Ngunnawal Traditional Custodians and colleagues across the ACT Government, City Presentation assisted with the installation of large-scale Watermarks artworks on the Condamine and Masson Street bridges and pathways in Turner. The Directorate also facilitated the installation of culturally appropriate interpretive signage and QR codes developed by Ngunnawal custodians, enabling visitors to learn about the cultural significance of Sullivan's Creek and the Watermarks restoration project. The project was officially launched in September 2025 and provides a lasting public recognition of Ngunnawal culture, stories and connection to Country within the urban landscape.

Public realm upgrades

Infrastructure Delivery continued delivery of cultural and place-making elements through the Evatt Shops upgrade project.

In July 2025, a mural featuring the endangered Golden Sun Moth by Wiradjuri artist Kristie Peters (Yarrudhamarra Creations), was incorporated into the upgraded Evatt Shops, transforming a previously graffitied wall into a prominent community feature. The project included the installation of a new toilet, with artwork designed by the same artist. This additional work was installed in September 2025 and included artwork panels and meaning statements, providing visitors with an opportunity to learn about the cultural significance and themes reflected in the artwork. The integration of cultural artwork has enhanced public amenity while celebrating cultural storytelling and local environmental values.

The recently completed shop upgrade program saw inclusion of Indigenous plantings at Calwell, Macquarie, Evatt and Narrabundah local shops. New toilet facilities featuring exterior indigenous artworks were delivered at Dunlop playground by Wiradjuri artist Kristie Peters (Yarrudhamarra Creations).

The Directorate continues to seek opportunities for inclusion of Indigenous planting and artwork through future public realm upgrades.

Gundaroo Drive Duplication – entry statements

CED engaged Ngunnawal cultural consultant Bagariin to develop and interpret features implemented into McKellar and Giralang as part of the Gundaroo Drive roadworks.

The McKellar/Giralang entry concept represents the natural flora and fauna along with the vast cultural elements that were present within the McKellar/Giralang region prior to European settlement. The limestone indicates an on-going connection to the local cultural elements that are abundant in the area and showcases the use of limestone by Ngunnawal people for many generations; it brings context and perspective to cultural practices still undertaken.

The Native Fish Artwork by Bradley Mapiva Brown represents native fauna along with the vast cultural elements that were present within the McKellar region prior to European settlement. These fish signify the diverse silver perch and cod that were abundant in the natural waterways prior to the development of Canberra as a metropolitan capital.

The artwork, Birth of the Ngunnawal Platypus, depicts the first platypus on Ngunnawal Country. This platypus is very special as it is the creator for the Ngunnawal platypus family groups. His swimming created watering holes to support his future platypus family for thousands of years.

Yarralumla Nursery

Six Seasons Garden

In 2020, Adam Shipp from Yurbay and Tyronne Bell from Thunderstone Cultural Services designed a 6-seasons garden for Yarralumla Nursery. The nursery team subsequently planted the garden beds in accordance with this design, selecting native plant species that best represent each of the 6 seasons.

In 2026, the Yarralumla team began a reinvigoration program to restore and maintain the garden in line with its original intent. A working bee involving all Yarralumla Nursery staff was established to support the project. Reinvigorating the garden has provided a valuable opportunity for staff to deepen their understanding of local Aboriginal culture and to learn how the 6-season framework more accurately reflects Australia's unique climate and ecological indicators.

First Nations Ranger

Yarralumla Nursery is collaborating with ACT Parks and Conservation Services (PCS) to support a First Nations ranger through a secondment program. This program focuses on developing practical skills in plant propagation, native species knowledge, soil management and nursery production practices.

This new collaboration represents an ongoing opportunity to combine horticultural and land management best practice with First Nations peoples' knowledge and experiences, enabling Yarralumla Nursery and PCS to achieve genuine community-focused and conservation outcomes on the ground.

NAIDOC Ball Sponsorship

In recognition of First Nations culture and to support cultural awareness, Yarralumla Nursery sponsored locally grown plants for the NAIDOC Ball, an event that celebrates the achievements, contributions and culture of Aboriginal and Torres Strait Islander peoples.

Transport Canberra

Aboriginal and Torres Strait Islander Community Bus

Transport Canberra has continued to support Aboriginal and Torres Strait Islander community bus services, providing accessible and flexible transport options for community members to participate in cultural, social and essential activities. These services respond to transport disadvantage identified by community and play an important role in improving access to key services including health appointments, community programs and events. Supporting reliable and culturally appropriate transport options helps strengthen community connection, inclusion and wellbeing.

Building on ongoing engagement and positive feedback from community stakeholders, the services continue to be an important mechanism for reducing transport barriers and enabling participation.

Transport Canberra continued to provide essential travel assistance, recording 4715 passenger movements during 2025–26.

Koori Pre-School Charter

Transport Canberra continued delivery of the Koori Pre School Charter Service, supporting Aboriginal and Torres Strait Islander children and their families to access early learning and community activities. The service addresses transport barriers identified by community, enabling participation in Koori Preschool programs and excursions that strengthen connection to culture and Country.

The charter service complements the ACT Government's expanding Koori Preschool program, which provides free, culturally safe early childhood education and has increased access in recent years to improve participation for Aboriginal and Torres Strait Islander children.

Building on the positive outcomes identified through joint evaluation with the Education Directorate, the service continues to play an important role in improving attendance, engagement and inclusion. It remains a key enabler supporting equitable access to early childhood education.

Policy, Planning and Built Environment

Learner Driver Mentor Program

The Learner Driver mentor program, funded through the ACT Road Safety Fund and delivered by the Salvation Army, supports disadvantaged young learner drivers to gain their provisional licence. Aboriginal and Torres Strait Islander people are eligible for this program, which provides access to ACT Accredited driving instructors, the Vulnerable Road User Program and the Safer Driver Course. Learner drivers are matched to volunteer driver mentors who assist them to gain the driving hours required to be eligible for an ACT provisional car licence.

As of 30 April 2026, 9 Aboriginal and Torres Strait Islander people completed the program, with an additional 7 people currently engaged. Obtaining a licence can facilitate access to opportunities for education, employment and other aspects of community life.

Statutory Planning

ACT Place Names

The ACT's suburb, street and place names are a tribute to Australia's remarkable people and its geography, heritage and history. The ACT Place Names unit, in consultation with the ACT Place Names Advisory Committee, undertakes research for new place names in accordance with the *Public Place Names Act 1989*.

During 2025–26, the name of one Aboriginal person was commemorated in a public place name determined under the Act. Yami Lester Avenue in Denman Prospect, where roads have the theme of 'Activism and Reform', recognises Yankunytjatjara man, Yami Lester OAM, Aboriginal land rights and anti-nuclear weapons activist.

Access Canberra

Libraries ACT

In July 2025, Libraries ACT delivered a special NAIDOC program at Tuggeranong Library that included a Story Time and Desert Pea memorial craft session with guest reader and artist Hazel Davis, and a cultural dance performance by Bama Dreaming.

As part of National Reconciliation Week 2026, Libraries ACT delivered multiple activities designed to celebrate Aboriginal and Torres Strait Islander cultures while strengthening understanding and relationships across the community. Activities included a special movie screening of an uplifting First Nations film, passive colouring-in sheets taken from W is for Wiradjuri by Larry Brandy and illustrated by Kristie Peters, and a hands-on activity painting Story Stones with traditional Aboriginal storytelling symbols.

Environment Protection Authority

In July 2024, the objects of the *Environment Protection Act 1997* were amended to require cultural considerations to be integrated into decision-making processes.

To support the change to the legislation, an existing senior Environment Protection Officer position held by a First Nations staff member was adjusted to be an 'identified position', or job role specifically designated for Aboriginal and/or Torres Strait Islander people. The duty statement was then adjusted to a Cultural Liaison Officer and the officer was tasked with assisting the Environment Protection Authority's (EPA) work in meeting the new obligation.

During 2025–26, as part of progressing the EPA's cultural program, the liaison officer continued to undertake the following:

- Reached out to numerous local and interstate organisations and communities to learn about approaches to forming working relationships to incorporate cultural values from the local community into EPA decisions, such as for formal licence approvals.
- Worked with other recognised Indigenous officer positions in the ACT to achieve an understanding of cultural burns/bushfire hazard reduction in the ACT. This aims to educate staff within the EPA as well as other organisations around Canberra on the benefits for Country, as well as the cultural and spiritual value benefits from cultural burning activities.
- Explored developing a potential change to the regulation to allow activities such as cultural smoking ceremonies or other cultural, spiritual and or religious ceremonies involving fire or smoke on residential property that aren't currently exempt.
- Explored options to rebrand EPA vehicles with art from a local mob artist, incorporating land, water and air. This aims to help the EPA vehicles stand out and be recognised when in the field as well as paying respect to the Elders past and present of this Country and demonstrating that the EPA is serious about incorporating cultural and spiritual values into more than just licencing/ decision making.

B10 *Disability Inclusion Act 2024*

Disability inclusion strategies

The CED Inclusion and Belonging Strategy 2026–29 is our commitment to foster a workplace where people feel safe, supported and empowered to contribute. This strategy supports the development and implementation of disability inclusion strategies across the Directorate and will be used alongside the Disability Inclusion Plan to determine future actions and inclusion strategies that support people who identify as having disability, neurodivergence, accessibility challenges or caring responsibilities.

Disability Inclusion Plan

The Disability Inclusion Plan 2026–29 reflects the commitment of the Directorate to creating workplaces where people with disability can fully participate, contribute and thrive through measures that support accessibility, inclusion and the reduction of workplace barriers.

The plan was developed in accordance with the *Disability Discrimination Act 1992* (Cth), the *Disability Inclusion Act 2024 (ACT)*, the *Work Health and Safety Act 2011 (ACT)* and *Managing Psychosocial Hazards at Work – ACT Code of Practice (2023)*.

The Plan's priorities and actions were further informed by community insights from the Towards a 10-year ACT Disability Strategy — A listening report 2022 and by findings from the Disability Inclusion Plan – Development Engagement Session Report, prepared by an external systemic advocacy group, which identified key barriers, enablers and opportunities to improve accessibility and inclusion in the workplace.

Consultation on the plan took place over a 3-week period in May 2026 using accessible engagement methods such as site visits, drop-in sessions, written submissions and online feedback channels. Consultation was informed by people with lived experience of disability, family members and carers of people with disability and members of the CED staff Accessibility and Carers Inclusion Network.

B11 *Multiculturalism Act 2023* Reporting

Multilingual resources and inclusive library initiatives

Libraries ACT offered a range of different resources, programs and services for Culturally and Linguistically Diverse (CALD) audiences during 2025–26, including:

- digital resources for languages other than English for children
- bilingual picture books and the Rapid Reads collection, aimed at readers with English as a second language or with low reading literacy levels
- English Literacy collection, aimed at people with English as a second language and including IELTS English language exam learning and practice resources
- bilingual story time with approximately 21 sessions and 429 attendees
- English conversation classes, facilitated by skilled volunteers, with approximately 537 sessions and 3,358 total attendees.

Cultural celebrations and sporting events

The ACT Sport and Recreation Facilities team plays an important role in supporting multicultural communities by providing safe, accessible and high-quality venues for cultural celebrations and sporting events across Canberra.

During the reporting year, the team worked closely with community organisations to facilitate a range of activities, including cricket events hosted by the India Australia Multicultural Sporting Association, which brought together participants from diverse cultural backgrounds through sport.

The team also supported major multicultural community gatherings, including events hosted by the Embassy of Bhutan and the annual Highland Games, helping to deliver inclusive experiences that celebrate cultural heritage, strengthen community connections and promote participation in recreation and sport.

Through these partnerships, ACT Sport and Recreation Facilities continues to contribute to a vibrant, diverse and welcoming Canberra community.

ACT NoWaste multicultural outreach

ACT NoWaste connected with new residents, particularly those from different cultural backgrounds, at community events such as the Chief Minister's Student Welcome and Multicultural Welcome to Canberra event to promote waste and recycling and draw attention to translated resources.

The Waste Education and Partnerships team attended the Multicultural Festival to promote waste and recycling services and information.

ACT NoWaste developed a package of waste education brochures, translated into 12 languages (including Arabic, Chinese, Farsi, Greek, Spanish and Vietnamese) to help different audiences understand waste and recycling information.

National Multicultural Festival 2026

Transport Canberra supported the National Multicultural Festival by providing increased light rail services during the festival. This was in addition to free travel across the entire bus and light rail network from 6.00pm on the Friday and Saturday nights due to the fare free travel periods. This initiative encouraged festival attendees to leave their cars at home, thereby reducing traffic congestion and parking demands in the city centre during the festival.

Place Management embedded a dedicated team of operational staff within the event team. Their role was to assist set up and provide on-ground compliance support, ensuring public land use conditions were met. Staff worked directly with event organisers and stallholders to identify site locations and facilitate effective setup in line with permit conditions.

Libraries ACT participated in the annual National Multicultural Festival by hosting several programs and activities in the Civic Library and on festival stages across the 3-day event. Activities included workshops, art installations, storytelling sessions, chill-out zones and multicultural displays designed to showcase the richness of Canberra's multicultural tapestry. A particular highlight was First Nation Story Time with award winning Wiradjuri musician and performer Johnny Huckle, who delivered a Bilingual Story Time segment with an energetic set of songs for children.

The CED Security and Emergency Management team deployed dedicated liaison officers to the National Multicultural Festival Operations Coordination Centre. These officers coordinated CED resources supporting festival operations, including providing oversight and facilitating collaboration across Transport Canberra and City Services teams.

Translation services

The Access Canberra website offers more than 248 language translations to support our diverse community.

Access Canberra Service Centre staff who speak multiple languages wear in-language lapel pins to assist customers. Across 5 service centres, staff speak 12 languages (including English). The free National TIS (Translating and Interpreting Service) link on Access Canberra's website is available for use by service centre clients.

The website has 3 visual stories to assist community on what to expect when calling the contact centre phone line, visiting a service centre or wishing to provide feedback and complaints. The visual stories were developed to help increase service inclusivity, including community with English as a second language, people with a disability and/or neurodiverse.

Multiculturalism in the workplace

On 20 November 2025, CED established a Multicultural Network for staff. Its objective is to strengthen a welcoming and inclusive workplace for employees from culturally and linguistically diverse backgrounds and function as an internal advisory group for internal policies. The network meets regularly to progress its core aim of positioning CED as an employer of choice for people from multicultural communities, fostering meaningful connections and a sense of belonging.

The CED Multicultural Network hosted Harmony Day morning tea on 18 March 2026 with the goal of: raising awareness of challenges faced by newcomers from multicultural backgrounds when first joining the ACT Public Service workforce; advising what CED team members can do to make the transition easier; and the supports available.

At the end of the reporting period, Capital Linen Service had 24 nationalities represented within its workforce, with over 77% born outside Australia. To reinforce the importance of multiculturalism within the operational laundry, the service's on-site human resources team supports multicultural programs, activities and initiatives to the workforce such as Harmony Week. The service provides support for its diverse workforce in a variety of ways including a monthly internal newsletter that highlights community activities, a dedicated wellbeing room to facilitate religious/cultural practices, and provision of breast cancer screening information in non-English languages.

B12 *Period Products and Facilities (Access) Act 2023* Reporting

The *Period Products and Facilities (Access) Act 2023* seeks to reduce and prevent period poverty in the ACT by:

- providing free access to period products for people experiencing period poverty in the ACT
- improving access to toilets, handwashing facilities and sanitary waste facilities
- providing public information about menstruation and menstrual hygiene.

During the reporting period the Directorate complied with the Act as follows.

Access to period products

Libraries ACT has become pivotal in providing free access to period products in the ACT. In September 2024 Libraries ACT became a distribution location for the ACT Government's Free Period Products program. All 9 public library branches now stock free period products in their public bathrooms that can be accessed by anyone in the community. As not all people who menstruate can, or feel comfortable using, female toilets, dispensers are in a unisex or accessible bathroom.

Sports and Recreation Facilities procured dispensers and products to trial community access to period products at 2 sportsgrounds from 1 July 2026.

Workplace access to facilities

CED continued to support access to appropriate toilets, sanitary waste and handwashing facilities across offices, depots and construction sites, with consideration given to providing these in a manner that respects the dignity of individuals.

Information and guidelines

The ACTPS Employment Portal includes detailed information about Menstruation and Menopause Leave and flexible working arrangements for ACTPS staff.

B13 Work Health and Safety

The safety and wellbeing of staff is a core value for CED and remains a priority for the Directorate. Work Health and Safety (WHS) is managed under the statutory provisions of the *Work Health and Safety Act 2011* (WHS Act). CED's approach to WHS focuses on regulatory compliance, effective risk management, early intervention and continuous improvement across the Directorate.

Regulatory compliance and notices

Improvement notices

CED was issued one improvement notice by WorkSafe ACT, which was closed following completion of the required actions. There were no findings by the regulator that CED failed to comply with the improvement notice.

The improvement notice was issued following a notifiable incident on 15 August 2025. A tree barrel being lifted by a palfinger crane swung, impacting a hydraulic hose, causing the hose to rupture. No injuries were sustained by staff. The notice required the risk assessment and standard operating procedure to be reviewed and all workers were trained. These actions were completed and the notice closed.

Prohibition notices

CED was issued one prohibition notice by WorkSafe ACT, which was lifted following completion of the required actions. There were no findings by the regulator that CED failed to comply with the prohibition notice.

The prohibition notice was issued following the above-mentioned notifiable incident on 15 August 2025. The Directorate was prohibited from using the crane until it was repaired by a competent person. Evidence of repair by a competent person was provided to WorkSafe ACT and the notice lifted.

Non-disturbance notices

CED was not issued any non-disturbance notices by WorkSafe ACT.

Enforceable undertakings

CED did not enter into any enforceable undertakings under Part 11 of the WHS Act.

Safety duties compliance

CED was not charged with any offences under the WHS Act.

Injury prevention programs and reporting

During 2025–26, there were 1,790 incidents reported across CED. Of those, 72 incidents gave rise to 73 notifications to WorkSafe ACT in accordance with Part 3, Section 38 of the WHS Act:

- 3 fatalities
- 23 serious injuries
- 43 dangerous incidents
- 4 sexual assaults.

One of the incidents resulted in 2 notifications as it was initially notified as a serious injury then upgraded to a fatality. All incidents were investigated to determine the cause and identify and implement corrective actions as required to prevent reoccurrence.

Workplace incident and hazard reporting

CED received 2,125 workplace notifications through the ACT Government's incident reporting system. Of these reports:

- 334 were reports of hazardous situations with no recorded injury
- 766 were incident reports with no recorded injury or illness
- 1020 were incident reports involving injury or illness
- 5 were incidents that had not been finalised at the cut-off date of 21 July 2026 for inclusion in the numbers above.

Injury prevention programs

The Workplace Resolution and Support team was established within the People, Safety and Culture Branch as a core prevention and early intervention function. The program positions workplace resolution and support as a prevention strategy that supports managers through a resolution focused lens, partnering with business areas to provide timely advice, practical guidance and collaborative support to address issues before they escalate. The approach supports early intervention, reduces psychosocial and workplace injury risks and assists managers to remove barriers to safe and sustainable return to work. Emphasising early engagement and tailored workplace solutions, the approach strengthens manager capability, reduces injury risk and removes barriers to return to work, improving wellbeing and enabling consistent, sustainable outcomes across the organisation and enhancing overall organisational performance.

A targeted communication and training program was implemented to strengthen injury prevention by promoting early reporting and timely intervention. Employees are encouraged to report hazards, near misses and incidents promptly, reinforcing that early action reduces risk and prevents harm. Managers are equipped with practical skills to respond effectively, including conducting meaningful follow-up, identifying root causes and implementing controls to prevent recurrence. The program fosters a positive reporting culture where people feel safe to speak up without blame. Clear communication, information reporting and visible leadership commitment support continuous improvement, aiming to increase reporting, strengthen controls and reduce injuries across the organisation. The program supports improved return-to-work outcomes by encouraging earlier visibility of risks, timely manager action and appropriate escalation where support is required.

Worker consultation and Health and Safety Representatives

The tiered health and safety committee structure consists of the WHS Steering Committee (WHSSC) (Tier 1), divisional WHS Peak committees (Tier 2) and branch/business unit WHS committees (Tier 3). These committees facilitate consultation on WHS issues and procedures within the Directorate.

The WHSSC Tier 1 Committee meets quarterly and is represented by the Director-General, Deputy Directors-General and 20 elected Health and Safety Representatives (HSR) from across the organisation. The Director-General chairs the committee.

CED has 148 elected HSRs. The Safety and Wellbeing Team within the People, Culture and Safety branch comprises 9 staff, with 13 WHS advisors embedded in business units. These resources support WHS governance, incident response, risk management, assurance activities, consultation and practical advice to managers and workers.

Worker consultations

Consultation with CED workers was undertaken through established WHS governance arrangements and all-staff engagement activities.

Updates to the WHS management system in response to legislative changes were communicated through all-staff emails, intranet publications, verification activities and toolbox talks. Feedback was sought via HSRs, WHS committees and targeted discussions. Matters raised informed refinements to policies, procedures and guidance materials, supporting compliant and consistent implementation across the Directorate during the year.

CED workers were consulted on WHS matters through ongoing engagement mechanisms and Directorate-wide communication channels. Legislative changes affecting the workplace health and safety management system were shared with all-staff through intranet articles, guidance updates, verification activities and toolbox talks.

Workers and representatives provided feedback through committees, HSR networks and local discussions. This feedback supported clarification of roles and improved accessibility of WHS information and practical implementation of updated requirements across workplaces.

WHS audits

External audit

No external audits were completed for CED's work health and safety management system.

Internal audit

An internal audit program was undertaken across Transport Canberra, Territory and Municipal Services, City Operations and areas of Access Canberra (Libraries ACT and Domestic Animal Services). The audit focused on plant and equipment risk management. The audits confirmed the existence of plant registers, procedures for identification and withdrawal of unsafe plant, plant risk assessments and control review processes.

Top 3 WHS risks

Occupational violence

The Directorate maintains a range of controls to prevent and manage occupational violence and to support the safety and wellbeing of workers and the community. Controls include risk assessments, occupational violence management plans, incident reporting and review processes, worker guidance, manager support and response and recovery arrangements. These measures support prevention, early intervention, consistent response and post-incident support. Work has commenced to establish an Occupational Violence Working Group that will report into the Work Health and Safety Steering Committee.

Plant and equipment

Directorate plant and equipment controls were continuously revised and maintained throughout the year. Controls include plant registers, operator training, guarding, isolation procedures, pre-start checks, traffic management plans, safe load management and Personal Protective Equipment requirements. These controls are supported by audit activity and corrective actions to strengthen safe operation across worksites.

Hazardous substances

The Directorate maintains a comprehensive approach (including training) to the management of hazardous substances to protect the health and safety of workers and the environment.

The Directorate uses Chemwatch to assist in managing information related to chemicals across all storage sites. Other controls include risk assessments, training, safe handling procedures, chemical registers, safety data sheets, storage and labelling requirements, Personal Protective Equipment and ongoing review of chemicals in use. Where practicable, CED continues to identify opportunities to substitute hazardous substances with less harmful alternatives.

The Directorate has established an Orphan Battery Working Group to assist in developing procedures and guidance for the management of damaged Lithium-Ion batteries that are left within the urban environment.

ACTPS Work Health Safety and Wellbeing Strategy

The ACTPS Work Health Safety and Wellbeing Strategy Target was introduced during 2024–25. The target aims to achieve 10% reduction over 5 years (2024–29) or a 2% reduction year on year.

This target level of improvement is informed by national Safe Work Australia work injury reduction targets. The indicator measures the number of ACTPS workers' compensation claims resulting in absence from the workplace of one week or more. The indicator is sensitive to injury prevention and return to work activities.

The 2025–26 target was 11.97. The 2025–26 result was 14.98.

B14 Human Resource Management

CED is dedicated to creating a workplace where everyone feels safe, valued and appreciated for what they do. Our people are an important part of making sure we meet our responsibilities to the community and provide the services that Canberrans rely on.

Our People

Workforce insights

CED took part in the 2025 ACT Public Service Employee Survey, with 2,128 staff members responding; this represented 59% participation, 8% higher than the ACTPS average of 51%. CED scored 67% on key measures of success (engagement, satisfaction and commitment), which was slightly better than the ACTPS average and shows staff are generally engaged, happy at work and confident in how the organisation is performing.

The survey showed that many team members have a strong sense of purpose in their work, have great support from the team around them and are proud of the difference they make for the Canberra community. Areas of key focus moving forward include managing workload pressures and priorities, being clear on the Directorate's strategic direction and priorities, and making it easier for team members to do their jobs.

Experience, culture and inclusion

The Directorate is committed to creating a workplace where everyone feels included, valued, respected and connected to their work and colleagues.

The Inclusion and Belonging Strategy 2026–29 coordinates initiatives in reconciliation, disability support, gender fairness and psychosocial safety to foster engagement and a sense of belonging.

In 2025–26, the Disability Inclusion Plan was launched to support fair employment, making sure the workplace is accessible and people with disabilities have every opportunity to fully participate. This includes raising awareness about workplace adjustments, making work practices more accessible, looking after psychosocial safety and helping managers better support an inclusive environment.

To promote diversity and connection, CED supports various employee networks:

- Pride Network
- Veterans Network
- Multicultural Network
- Gender Equity Network
- Accessibility and Carers Network
- Reconciliation Action Plan Committee.

These groups give our people a chance to connect, speak up and learn from one another. They also help find ways to remove barriers and improve the workplace. These networks help shape important plans like the Gender Action Plan and Disability Inclusion Plan. Each network is led by a senior leader.

In March 2026, CED hosted its first Director-General Awards, which recognised the great work done by individuals and teams across the Directorate. More than 100 nominations were received. Awards were given to those who stood out in their contributions to helping the Canberra community and improving how the Directorate works. The event also honoured employees who have made significant long-term contributions, recognising their ongoing dedication to the ACTPS.

CED also released the CED Staff Recognition program, offering tools and resources to help managers and staff celebrate achievements and show appreciation. These practices encourage a positive workplace culture, boost employee engagement and help retain talented staff.

All these activities support CED's overall goal of attracting and keeping great people, making the workplace better for everyone and building a strong, inclusive and sustainable team.

Carers Recognition Act

For the purposes of the *Carers Recognition Act 2021*, CED is an agency for its employees. That is, the employment framework is cognisant of the need of carers employed by CED to have access to arrangements that facilitate their caring responsibilities.

Policies and procedures are in place to meet these obligations through the overarching employment framework that applies in the ACTPS. CED continued to seek opportunities to enhance the initiatives for carers.

Learning and development

CED is dedicated to helping staff become skilled, capable and adaptable by offering training programs that cover essential requirements for safe, compliant and effective work. The Directorate also supports career growth through a mix of in-person and online learning options.

Our focus on ongoing learning aligns with our organisational goals and reflects the ACT Public Service values, helping us keep and improve skills and knowledge throughout the Directorate.

Programs

During the reporting period, CED created and launched a new set of 10 core training programs. These ensure all staff at CED can:

- make informed, safe and compliant decisions
- deliver services confidently and consistently
- demonstrate accountability by fulfilling compliance and reporting obligations in line with ACT Public Service requirements.

These programs support capability development in critical operational, regulatory, safety and leadership functions across the Directorate. Completions of the Core Learning Curricula are detailed in Table B14.1.

CED also developed and put into place additional programs across 6 categories in targeted areas to build capability in our workforce, operations and leadership. These categories and completions are detailed in Table B14.2.

Table B14.1 – Core learning curricula and completion rates in 2025–26

CED core learning courses	Completion rate %
New starters induction	94%
Work Health Safety and wellbeing essentials	93%
Respect, equity and diversity and code of conduct	93%
Fraud, corruption, ethics and conflict of interest	93%
Security awareness	86%
Cyber security	83%
Records management	78%
Information privacy	40%
Freedom of Information (FOI) and information security	65%
Reportable conduct	58%

Table B14.2 – Training categories and courses

CED training categories	Number of courses in category
Working in government	16
Safety and wellbeing	11
Inclusion	6
Finance and procurement	6
Job role essentials	17
Leadership and management	7

Future priority areas

CED is focusing on creating training aligned to individual job roles within the organisation. We are also working to improve our cultural training program and developing a new learning plan to help our staff lead and manage a more diverse workforce. These efforts help the Directorate plan for the future by ensuring staff skills meet current and upcoming needs, improve how we deliver services and address potential workforce challenges.

Leadership development

When CED was established, it needed to reset and develop management development programs that were genuinely fit for purpose. Given the different approaches across the 3 former entities, some offerings were temporarily paused while the approaches were aligned.

Importantly, this didn't mean development stopped. A number of key programs continued to be delivered, including:

- Best Practice Recruitment (eLearning and face-to-face), with 210 participants successfully completing the program
- Introduction and Application of Workforce Planning (eLearning), completed by 39 participants.
- Work Health and Safety for Managers (eLearning and face-to-face), with 75 completions.
- Work Health and Safety Due Diligence (eLearning and face-to-face), completed by 18 participants.

These programs help our leaders make fair, people-focused decisions. Human resource partners also work closely with team leaders to find the best workforce solutions.

A new management training series is being developed for launch next financial year. This program will help strengthen people management skills, making sure leaders are ready to run teams effectively and create safe, inclusive and high-performing workplaces.

Training and study assistance program

CED has introduced a new Study Assistance Policy that encourages ongoing learning and helps staff gain the skills needed for CED's diverse work roles.

In 2025–26, 10 staff members received approval for study assistance, with an average financial support of $2,114 per person and an average of 11 study days.

The program allows staff to take time off for study, get partial or full reimbursement upon completing courses, or a mix of both. This helps staff continue their learning and develop their skills to better serve our community.

City Services traineeship

In 2024–25, 4 people took part in a traineeship program with 18-month contracts at the GSO3/4 level within CED. This gave them the chance to gain hands-on experience working in 4 different parts of the Directorate. Three of these trainees finished the program successfully and have since gained permanent jobs with Canberra Memorial Parks, Parks and Conservation Service and City Presentation.

The traineeships helped those starting their careers find work, build practical skills and support ongoing staffing needs in operational service areas.

Whole of ACT Government learning and development

Graduate Program

The Graduate Program is an important way to attract talented new staff. In November 2025, 7 graduates moved into permanent roles in CED after finishing the program. Three new graduates started In February 2026.

By participating in the Graduate Program, CED helps develop skills across the whole government and prepares staff for future roles in professional, policy and operational areas.

Internship program

CED also runs an ongoing internship program with the Australian National University, giving students work placement opportunities within the Directorate. In 2025–26, 10 students took part, working on various projects and earning credits for their courses.

This internship helps students start their careers, builds links with universities and provides CED with fresh ideas and new skills from emerging talent.

Gender Action Plan and Gender Impact Assessment Reporting

The CED Gender Action Plan 2026–29 is a critical component of the Directorate's broader strategy to promote inclusion and belonging. The plan demonstrates the Directorate's commitment to achieving equal outcomes at work for people of all genders and establishes a coordinated and evidence-based approach to advancing gender equity across the Directorate.

This new plan brings previous gender initiatives together into one unified approach. It was developed using data and insights from staff surveys, workplace data and feedback from employees and diversity groups.

Work on implementing the plan began during the reporting period, with actions integrated into daily operations, leadership styles and staff programs. Key focus areas include creating safe and inclusive workplaces, encouraging more diversity in areas where certain genders are more common, ensuring fair pay for different groups and making it easier for staff to access flexible working options.

Progress included integration of gender equity considerations into organisational processes, identification of priority areas for targeted action and ongoing monitoring of workforce and pay data to inform future actions and support evidence-based decision making, including gender composition by classification group and the gender pay gap at whole-of-organisation and classification group levels.

This work supports CED's broader human resource management approach by using workforce evidence to identify barriers, strengthen inclusive employment practices and support fair and equitable workforce outcomes.

Gender pay gap

The CED gender pay gap is -10.0%, indicating a slight advantage in average salaries for women over men.

Table B14.3 – Gender pay gap by classification group

Classification group	Average female salary ($)	Average male salary ($)	Pay gap (%) *
Administration Officer	100,357	98,236	-2.2%
Bus Operator	92,803	92,877	0.1%
Capital Linen Service Officer	76,585	83,647	8.4%
Executive Officer	236,450	266,022	11.1%
General Service Officers	81,713	88,791	8.0%
Information Technology Officer**	N/A	N/A	N/A
Professional Officer	112,617	110,523	-1.9%
Ranger	90,698	91,456	0.8%
Senior Officer	152,680	155,297	1.7%
Statutory Office Holders**	N/A	N/A	N/A
Technical Officer	104,676	106,097	1.3%
Trainee and Apprentice	69,620	64,400	-8.1%
Transport Officer	123,645	120,371	-2.7%

* Note: The gender pay gap refers to the difference between the average earnings of women and men in the workforce, expressed as a percentage of male earnings. A negative value indicates a higher average female salary, while a positive value indicates a higher average male salary. Gender pay gaps within the range of -5% to +5% are considered 'neutral', meaning they do not significantly favour either women or men.

** Note: Pay gap is not applicable as there is only one position.

Workforce reporting as at 30 June 2026

The recruitment rate for CED during the reporting period was 11.5% and the separation rate was 6.2%. The average length of service by CED staff is 8.7 years.

Table B14.4 – CED workforce (headcount) by gender and classification group

Classification group	Female	Male	Non-binary	Total
Administration Officer	669	408	3	1,080
Bus Operator	107	937	0	1,044
Capital Linen Service Officer	29	39	0	68
Executive Officer	23	24	0	47
General Service Officers	108	551	2	661
Information Technology Officer	0	1	0	1
Professional Officer	40	65	0	105
Ranger	15	38	0	53
Senior Officer	488	445	1	934
Statutory Office Holders	0	1	0	1
Technical Officer	54	112	0	166
Trainee and Apprentice	3	15	0	18
Transport Officer	5	51	0	56
Total	**1,541**	**2,687**	**6**	**4,234**

Table B14.5 – Full-time equivalent (FTE) and headcount by group

Division	FTE*	Headcount
Access Canberra	808.1	855
Chief Operating Officer	267.0	276
City Operations	593.3	599
Climate Change, Energy and Water	144.6	153
Environment, Heritage and Parks	356.1	373
Office of Commissioner for Sustainability and Environment	5.6	6
Office of the Director-General	12.9	14
Policy, Planning and Built Environment	156.9	166
Statutory Planning	106.3	111
Strategic Finance	93.6	94
Territory and Business Services	207.2	214
Transport Canberra	1,096.9	1,373

*FTE numbers are rounded to one decimal place

Table B14.6 – Full-time equivalent (FTE) and headcount by gender

Gender	FTE	Headcount	Percentage of workforce
Female	1,424.4	1,541	36.4%
Male	2,418.1	2,687	63.5%
Non-binary	5.8	6	0.1%
Not disclosed	N/A	N/A	N/A

Table B14.7 – Headcount by gender and employment category

Category	Female	Male	Non-binary	Total
Casual	34	181	0	215
Permanent full-time	1,115	2,044	4	3,163
Permanent part-time	282	317	1	600
Temporary full-time	101	139	1	241
Temporary part-time	9	6	0	15

Table B14.8 – Headcount by diversity group

Diversity group	Headcount	Percentage of total staff
Aboriginal and/or Torres Strait Islander	123	2.9%
People with culturally and linguistically diverse backgrounds	1,109	26.2%
People with disability	176	4.2%

Table B14.9 – Headcount by age group and gender

Age group (years)	Female	Male	Non-binary	Total
Under 25	51	76	0	127
25–34	348	414	2	764
35–44	480	744	3	1,227
45–54	388	694	1	1,083
55 and over	274	759	0	1,033

B15 Ecological Sustainability Reporting

Activities to improve performance

Stationary energy use

In 2025–26, Capital Linen Services upgraded boiler operating management systems and conducted a comprehensive Building Management System review. These initiatives delivered immediate, low-cost efficiency gains that resulted in 10–12% reduction in gas consumption and lower peak electrical and thermal demand, improving overall energy efficiency.

CLS secured a $1.578 million Zero Emissions Government (ZEG) fund to support major infrastructure upgrades at the Mitchell laundry including installation of a 500 kW solar array with roof strengthening. Works commenced in 2025–26. The solar system is estimated to deliver 608 MWh per annum reduction in grid electricity consumption.

The installation of solar panels and battery storage at Curtin Woodyard has enabled the use of renewable energy to power site operations, including charging the electric excavator, flood lighting and garage facilities.

Stromlo Depot became an all-electric building after removing the gas hot water service and abolishing the gas meter.

Transition to zero emission vehicles

In 2025–26, Transport Canberra:

- introduced 27 additional Battery Electric Buses (BEBs) into the fleet, taking the total to 106
- removed 37 Compressed Natural Gas buses from active service
- prioritised use of Euro 6 and BEBs where operationally possible
- installed high voltage infrastructure at Tuggeranong Bus Depot to provide capacity to charge larger numbers of BEBs in the coming years
- undertook concept planning for staged infrastructure upgrades at Tuggeranong Bus Depot to utilise high voltage connection.

These changes resulted in approximately 10% reduction in emissions from the Transport Canberra bus fleet.

CED continued to ensure all newly leased government passenger vehicles were zero emission where fit for purpose. As at 30 June 2026, 65% of passenger vehicles were zero emission vehicles.

In the commercial and heavy vehicle category, CED continued to explore zero emission vehicles including trials of a 7.5 tonne tipper truck across City Services depots; a 9 tonne Pantech at Capital Linen Services; and a trial of an alternative brand of low-floor battery electric mini-bus for Flexible Transport. Trials provided business areas with opportunities to test technology in operational environments and consider zero emission alternatives as part of leasing and procurement.

CED continued to expand charging infrastructure, with EV chargers installed at Capital Linen Service, Domestic Animal Service, Civic Pool Depot and Tidbinbilla Depot. Works commenced at Stromlo Depot and Belconnen Depot to install additional EV chargers, with additional planning completed for more installations.

Water usage

Sport and Recreation Facilities reduced water use through smarter irrigation, system optimisation, targeted upgrades and better monitoring. Central controls use weather data and soil moisture sensors to water only when needed, reducing waste. Pressure changes to pumps and meters have delivered major savings, up to 40% at some sites. Sprinkler upgrades and improved design have reduced run times. A rolling audit program identified and fixed inefficiencies. These actions, along with exploring alternative water sources, support the ACT Government's commitment to return water to the Murray–Darling Basin.

In the summer of 2024–25, the application of liquid seaweed fertiliser with a soil penetrate additive was introduced into the young tree watering program. Application continued through the summer, with notable improvement in the water holding capacity of soils surrounding young trees. The increased water holding capacity has reduced the amount of water run-off, soil displacement and evaporation, reducing water use and waste in the tree watering program.

Development of a roof-connected water harvesting system at Capital Linen Service commenced, supported through the ZEG fund, with 3,221 kL per annum reduction in water use estimated on completion.

Resource efficiency and waste

Existing infrastructure is being leveraged at Curtin Woodyard to minimise resource consumption in the planning of a new staff amenities building. This includes connection to the on-site solar system and use of the existing septic system, capable of recycling effluent, and a stormwater harvesting system with two 15,000 litre tanks, which can be expanded to supply toilet flushing and irrigation via an existing electric pump.

ACT NoWaste hosted a workplace goods drive for Roundabout Canberra. Approximately 10 kg of preloved items were donated for children and families in need.

Ecological sustainability performance reporting

Table B15.1 – Resource usage 2025–26 and 2024–25

Indicator[1,2,3]	Unit	2025–26	2024–25	Difference (%)
Stationary energy use				
Electricity use	Kilowatt hours	44,756,487	39,477,229	13.37
Fossil fuel gas use (non-transport)	Megajoules	58,952,590	64,078,387	-8.00
Diesel use (non-transport)	Kilolitres	0	0	0
Liquid petroleum gas	Kilolitres	59.40	56.90	4.39
Transport Canberra bus fleet				
Zero Emission Vehicles (ZEV)	Number	106	79	34.18
Plug-in Hybrid Electric Vehicles (PHEV)	Number	0	0	0
Hybrid Electric Vehicles (HEV)	Number	0	0	0
Internal Combustion Engine (ICE)	Number	344	388	-11.34
Total vehicles	**Number**	**450**	**467**	**-3.64**
Fleet vehicles				
Zero Emission Vehicles (ZEV)[4]	Number	62	67	-7.46
Plug-in Hybrid Electric Vehicles (PHEV)	Number	11	9	22.22
Hybrid Electric Vehicles (HEV)	Number	1	1	0
Internal Combustion Engine (ICE)[5]	Number	759	699	8.58
Total vehicles	**Number**	**833**	**776**	**7.35**
Water use				
Water use	Kilolitres	1,566,148	1,643,298	-4.69
Resource efficiency and waste[6]				
Waste to landfill	Litres	8,455,992	8,456,340	0
Co-mingled material recycled	Litres	803,610	549,189	46.33
Paper and cardboard recycled (incl. secure paper)	Litres	477,348	622,812	-23.36
Organic material recycled[7]	Litres	436,369	113,949	282.95
Greenhouse gas emissions[8,9,10]				
Emissions from fossil fuel gas use (non-transport)	Tonnes CO_2-e	3,038	3,302	-8.00
Emissions from LPG (stationary)	Tonnes CO_2-e	92.52	88.61	4.41
Emissions from diesel use	Tonnes CO_2-e	32,533.06	33,343.90	-2.43
Emissions from petrol and E10 use	Tonnes CO_2-e	107.34	105.84	1.42
Emissions from Compressed Natural Gas (transport)	Tonnes CO_2-e	748.33	3,074.71	-75.66
Emissions from refrigerants[11]	Tonnes CO_2-e	80.77	80.76	0.02
Total emissions	**Tonnes CO_2-e**	**36,599.85**	**39,995.77**	**-8.49**

Notes

1. Energy use, water use and greenhouse gas emissions data are sourced from the Enterprise Sustainability Platform (ESP). Data for this reporting period was extracted at 9am on 3 August 2026. At the time of data extraction, the ESP had 99.7% actual data, 0.21% estimated data, and 0.09% accrued data.
2. Due to Machinery of Government (MoG) changes, for the purposes of reporting, these changes have been backdated to 1 July 2024 to enable a useful year-on-year comparison for CED.
3. Data reported for 2024–25 in the table may differ from figures reported in the 2024–25 annual reports. These changes occur due to structural changes resulting from the Machinery of Government and accrued and estimated data in the ESP updating after the data extraction date.
4. The decline in zero emission vehicles was largely attributed to completion of the hydrogen trial and lease optimisation.
5. Most of the increase in ICE vehicles in 2025–26 is attributed to operational requirements, including delivery of services through the Disaster Recovery Fund and in-sourcing.
6. Not all waste data was available prior to publication of the annual report. Where data was unavailable, proxy data from the 2024–25 reporting period was used.
7. The increase in organics is primarily due to including green waste from Yarralumla Nursery in the 2025–26 reporting period.
8. Emissions reported include Scope 1 and Scope 2 emissions only. Scope 1 are direct emissions from sources owned and operated by the Government, including emissions from transport fuel, fossil fuel gas and refrigerants. Scope 2 emissions from mains electricity are considered zero in the ACT due to the ACT's 100% renewable electricity supply.
9. Emission factors used to calculate natural gas and fleet fuel are based on the latest National Greenhouse Accounts factors.
10. Transport fuel emissions reported in 2024–25 may vary from figures reported in the 2024–25 annual report. This is due to a 48 month re-upload of SG Fleet data to improve reporting accuracy prior to data extraction.
11. Baseline (2019 calendar year) emissions have been amended to include refrigerants. Changes in emissions for subsequent years have been revised accordingly. Refrigerant data across ACT Government is progressively being updated as refrigerant assets are identified and documented. Current data is therefore limited and accuracy will be improved in future reporting years.

Commissioner for Sustainability and the Environment reports and investigations

The Commissioner for Sustainability and the Environment is an independent statutory position established by the *Commissioner for Sustainability and the Environment Act 1993*. State of the environment reporting is one of the main roles of the Commissioner.

Special reports

CED provided input to reports produced by the Office of the Commissioner for Sustainability and the Environment (OCSE). This included updates for actions in relation to recommendations from the following reports:

- 2023 State of the Environment Report
- Can Canberra 'Burn Right Tonight' or is there 'no safe level of air pollution'? An Investigation into wood heater policy in the ACT (2023)
- State of the Lakes and Waterways in the ACT (2022)
- Scope 3 Greenhouse Gas Emissions in the ACT (2021).

These updates will be included in the OCSE Annual Report 2025–26.

During the reporting period, the Commissioner also completed a special report into the Conservation of the Canberra Grassland Earless Dragon and Natural Temperate Grassland in the ACT. At the end of the reporting period, the investigation report had been provided to the Minister for consideration.

Complaint investigations

CED provided assistance in relation to the following complaints:

- The approval of a crematorium at Block 1 Section 3 Symonston
- The functionality of Belconnen Wetlands
- Planting and sale of Callery Pear by ACT Government.

B16 Public Land Management Plans

Under the *Planning Act 2023* (section 389) and the *Nature Conservation Act 2014* (section 177), the custodian of public land must prepare public land management plans and reserve management plans.

CED is the custodian of public land and reserves which include urban parks, sportsgrounds, urban lakes, wilderness areas, national parks, nature reserves, catchment areas and other prescribed areas of public land.

Land Management Plans

A land management plan identifies the area and describes how it is managed to implement and promote the management objectives applying to that particular area.

The Urban Open Space Land Management Plan was finalised in June 2024 and published online in January 2025. The plan consolidates and will replace 5 outdated district level land management plans issued between 1998 and 2006, providing a consistent, Territory-wide approach to managing urban open space. The plan:

- shapes future land management practices and the presentation of public urban open spaces to respond to the needs of a growing and diverse community
- introduces updated land typologies and placed increased emphasis on engagement with the Ngunnawal people and other people and families with a connection to the ACT, as well as strengthening focus on community participation and environmental, cultural, social and economic sustainability in the context of urban development and climate change
- complements the Canberra Urban Lakes and Ponds Land Management Plan (2022), which continues to guide management of water bodies, and will fully come into effect once notified on the ACT Legislation Register.

Table B16.1 – Land Management Plans

Management Plan	Year of commencement and review	Online location
Belconnen's Urban Park, Sportsgrounds and Lake Ginninderra	1998	https://www.legislation.act.gov.au/di/1998-242/default.asp
Canberra's Urban Lakes and Ponds	2022	https://www.legislation.act.gov.au/di/2022-10/
Inner Canberra's Urban Parks and Sportsgrounds	2000	https://www.legislation.act.gov.au/di/2000-143/default.asp
Tuggeranong's Urban Parks and Sportsgrounds	2000	https://www.legislation.act.gov.au/di/2000-143/default.asp
Urban Open Space and Public Access Sportsgrounds in the Gungahlin Region	2006	https://www.legislation.act.gov.au/di/2007-298/default.asp
Woden and Weston Creek's Urban Parks and Sportsgrounds	1998	https://www.legislation.act.gov.au/di/1998-242/default.asp

Reserve Management Plans

The Parks and Conservation Service manages public land reserves, including wilderness areas, national parks, nature reserves, catchment areas and other prescribed areas of public land, under the Nature Conservation Act 2014.

Preparation of new draft reserve management plans progressed for Namadgi National Park and the Murrumbidgee River Corridor. The plans are being prepared using a values-based management approach, which links reserve values, management objectives and on-ground decision-making.

Following a review of planning timeframes and delivery priorities, the Murrumbidgee River Corridor Reserve Management Plan was prioritised for delivery. Public consultation is expected to commence in mid-2027, with the final plan expected to be tabled by mid-2028.

Implementation reporting for the Canberra Nature Park Reserve Management Plan commenced during the reporting period.

Table B16.2 – Reserve Management Plans

Management Plan	Year of commencement and review	Online location
Canberra Nature Park Reserve Management Plan	2021	https://www.legislation.act.gov.au/di/2021-268
Jerrabomberra Wetlands Nature Reserve Plan of Management	2010 Reviewed 2024	https://www.legislation.act.gov.au/di/2010-280
Lower Cotter Catchment Reserve Management Plan	2018	https://www.legislation.act.gov.au/di/2018-20
Molonglo River Reserve Management Plan	2019	https://www.legislation.act.gov.au/di/2019-192
Namadgi National Park Plan of Management	2010 Reviewed 2022	https://www.legislation.act.gov.au/di/2010-192
Tidbinbilla Plan of Management	2012 Reviewed 2024	https://www.legislation.act.gov.au/di/2012-193

B17 *Urban Forest Act 2023* Reporting

In 2025–26, the total amount paid under financial settlements for canopy contribution agreements (CCA) was $295,513.24, with all funds yet to be spent by Urban Treescapes under Section 40 of the Act. In conjunction with CCAs entered into from 1 July 2025, there were 859 trees approved for removal. The location of these approvals is captured in Table B17.1. The table also provides a breakdown of the 1,822 trees agreed to be planted under on-site canopy contributions by location of these trees.

Table B17.1 – Location and number of trees approved for removal and agreed for planting in 2025–26

District	Trees approved for removal		Trees agreed for planting	
	Regulated	Public	Regulated	Public
Belconnen	221	10	462	11
Canberra Central	235	16	527	15
Gungahlin	27	7	53	6
Molonglo Valley	5	4	11	4
Tuggeranong	139	0	260	0
Weston Creek	72	0	158	0
Woden	160	3	312	3
East Canberra	0	2	0	2
Total	**859**	**42**	**1,783**	**39**

Thirty-three exemptions from entering a CCA were given under section 39 of the Act, related to the pre-existing canopy cover of 30% or more on their block.

Annual update on the Assembly Resolution

In 2025–26, 370 on-site canopy contributions were reported as planted. These trees are protected for 5 years from the date of planting. This protection period provides new trees time to establish and commence the replenishment of the canopy lost through tree removal. On-site canopy contributions are contributing to the urban forest and Canberra's canopy cover.

Section C

Financial Management Reporting

C1A Management Discussion and Analysis – City and Environment Directorate

Financial year ended 30 June 2026

General Overview

Risk Management

CED maintains strategic and operational risk registers, which are routinely reviewed to ensure appropriate and effective controls are in place. The review process also provides an opportunity to identify new and emerging risks. CED manages risks in line with the CED Risk Management Framework. Risk management practices undertaken by CED align with the ISO 31000:2018 Risk Management – Principles and Guidelines standard and the ACT Government Risk Management Policy. Further information is included in B4 Risk Management of the Annual Report.

Directorate Financial Performance

The following assessment of the Directorate's financial performance is based on the net cost of services framework. Net cost of services facilitates an assessment of performance by showing the full cost and composition of resources consumed in conducting the operations of the Directorate. It shows the extent to which these costs were recovered through user charges and independent sources, and the net cost of operations to the Territory.

The following financial information is based on audited financial statements for 2025–26 and the forward estimates contained in the Budget Statement for 2025–26.

Net Cost of Services

The Directorate's net cost of services was **$1,032.1 million** for the 2025–26 financial year, which is **$41.8 million** higher than the 2025–26 original budget of **$990.3 million**. These variances are largely due to the reasons outlined below.

Total Net Cost of Services

The net cost of services facilitates an assessment of performance by showing the full cost and composition of resources consumed in conducting the Directorate's operations. The net cost of services also reflects the extent to which the Directorate relies on government appropriation to fund its expenses. Net cost of services is calculated as total expenditure minus own source revenue. Own source revenue represents total income minus Controlled Recurrent Payments (CRP) appropriation.

Table C1.1 – Net Cost of Services

	Original Budget 2025–26 $m	Actual 2025–26 $m	Forward Estimate 2026–27 $m	Forward Estimate 2027–28 $m	Forward Estimate 2028–29 $m
Total Expenditure	1,263.4	1,331.5	1,140.7	1,142.4	1,148.0
Total Own Source Income	273.1	299.4	240.6	350.6	345.7
Net Cost of Services	**990.3**	**1,032.1**	**900.1**	**791.8**	**802.3**

Own Source Income

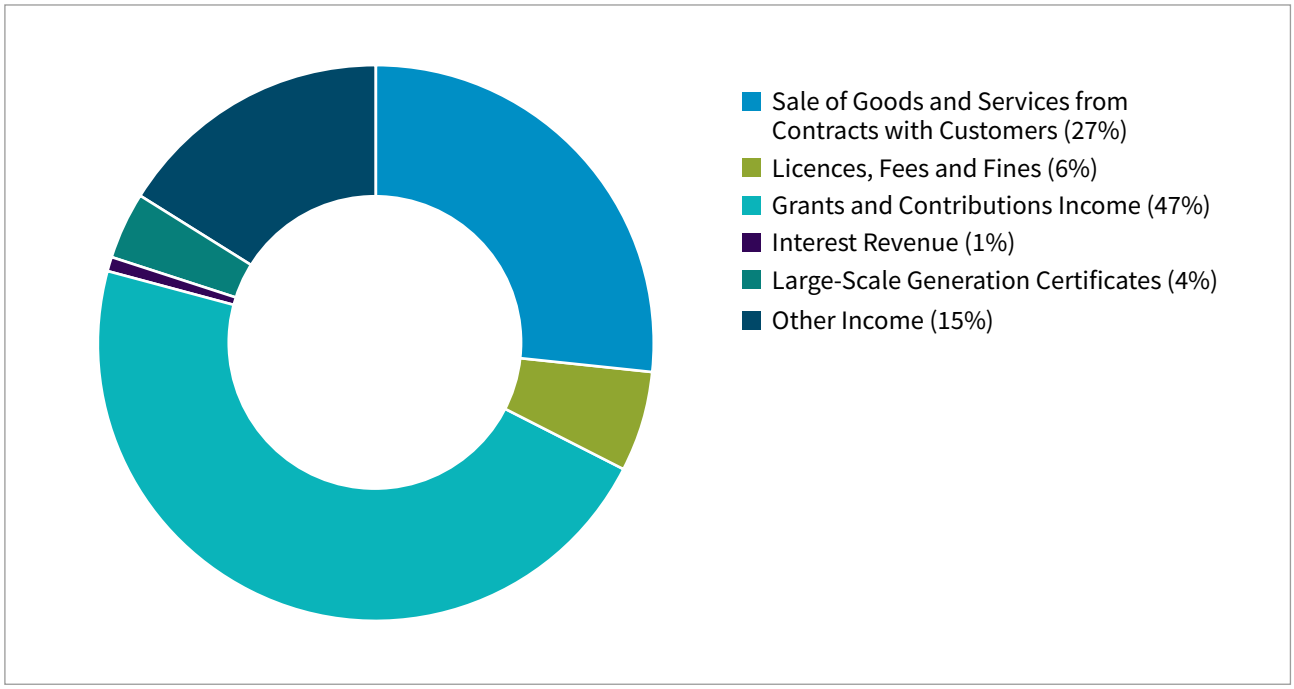


Figure C1.1 – Own Source Income

Table C1.2 – Own Source Income Variations to the Original Budget

	Actual 2025–26 $m	Original Budget 2025–26 $m	Variance $m
Sale of Goods and Services from Contracts with Customers	79.4	65.0	14.4
Licences, Fees and Fines	18.1	13.1	5.0
Grants and Contributions Income	140.9	187.4	(46.5)
Interest Revenue	2.0	1.1	0.9
Large-Scale Generation Certificates	11.1	-	11.1
Other Income	47.9	6.4	41.5
Total Own Source Income	**299.4**	**273.0**	**26.4**

Own source income of **$299.4 million** for 2025 26 was **$26.4 million** higher than the original budget of **$273.0 million** primarily due to unbudgeted insurance recoveries and the unbudgeted movement in Biological Assets. This was offset by lower than budgeted asset contributions from the Suburban Land Agency (SLA) and other private developers reflected in grants and contributions income.

Expenses

Table C1.3 – Expenditure Variations to the Original Budget

	Actual 2025–26 $m	Original Budget 2025–26 $m	Variance $m
Employee Expenses	383.3	361.7	21.6
Supplies and Services	356.7	364.5	(7.8)
Depreciation and Amortisation	261.1	227.5	33.6
Grants and Purchased Services	272.4	250.5	21.9
Borrowing Costs	1.9	0.6	1.3
Large-Scale Generation Certificates	11.1	-	11.1
Asset Transfers	1.2	-	1.2
Expensing of Capital Works in Progress	10.6	-	10.6
Other Expenses	8.1	58.3	(50.2)
Transfers to Government	25.2	0.4	24.8
Total Expenses	**1,331.6**	**1,263.5**	**68.1**

Total expenses of **$1,331.6 million** for 2025 26 was **$68.1 million** higher than the original budget of **$1,263.5 million**. The main driver of the higher than budgeted expenditure is employee expenses, depreciation and amortisation, due to the timing of the budget preparation and grants and purchased services to non Government organisations, as well as transfers to Government that were a result of unbudgeted insurance recoveries. The variance in other expenses primarily reflects reporting realignments across functions consolidated under the Administrative Restructure.

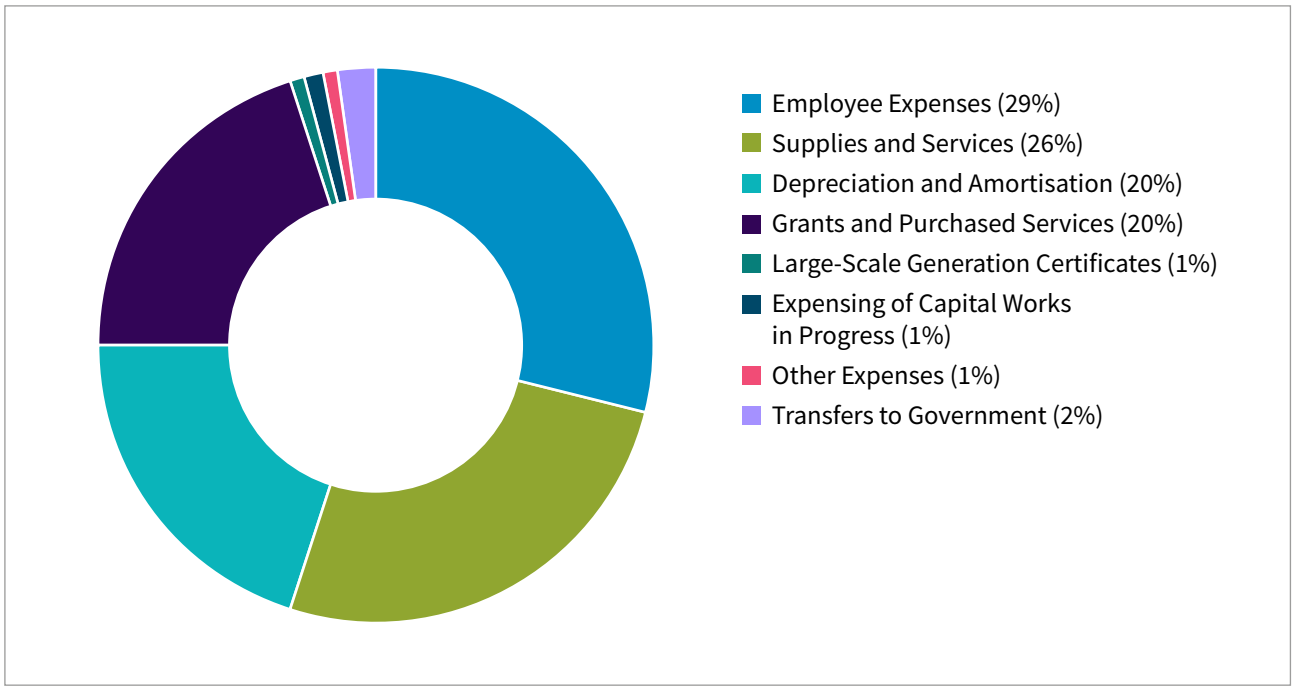


Figure C1.2 – Components of Expenditure

Future Trends

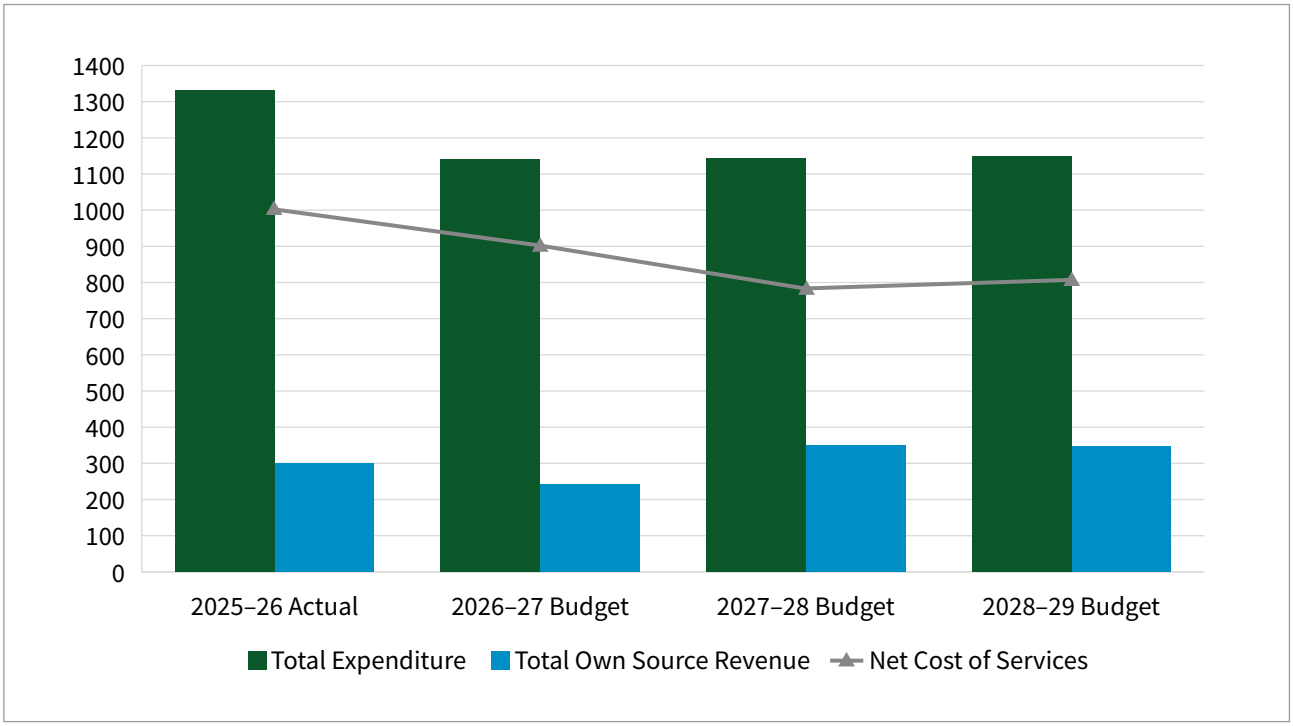


Figure C1.3 – Net Cost of Services ($m)

Net Assets/(Liabilities)

The Directorate's net assets for the financial year ended 30 June 2026 is **$13,801.8 million**, which is **$199.9 million** lower than the original budget net assets of **$14,001.7 million**.

Table C1.4 – Net Assets and Liabilities

	Actual 2025–26 $m	Original Budget 2025–26 $m	Actual 2024–25 $m
Total Assets	14,042.3	14,270.5	0.0
Total Liabilities	240.5	268.8	0.0
Net Assets	**13,801.8**	**14,001.7**	**0.0**

Total Assets

The Directorate's total asset position at 30 June 2026 was $14,042.3 million, of which 98% ($13,814.0 million) is related to property, plant and equipment, comprised of land, buildings, infrastructure, and heritage and community assets.

The other components of the Directorate's total assets comprised of cash of $108.2 million, biological assets relating to the ACT Forestry Estate of $60.9 million, and intangible assets of $33.5 million comprising of Large-scale Generation Certificates (LGCs), software and carbon credits.

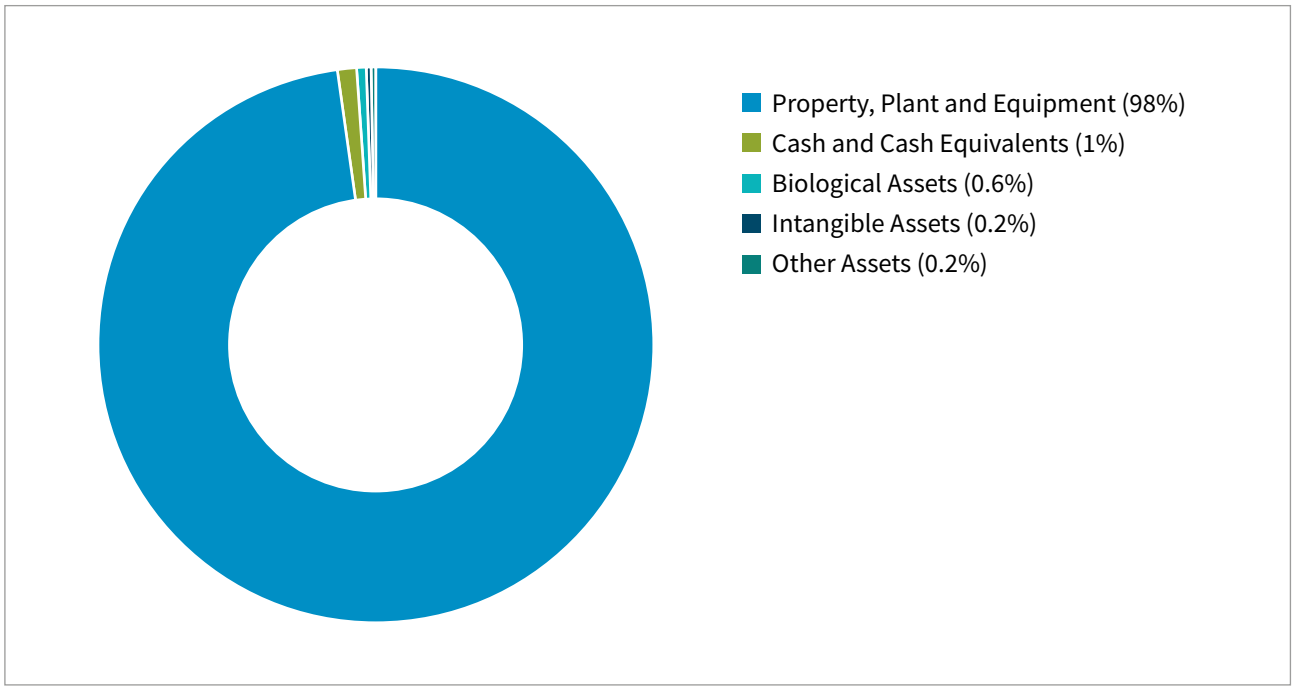


Figure C1.4 – Total Assets as at 30 June 2026

Table C1.5 – Asset Variations to the Original Budget

	Actual 2025–26 $m	Original Budget 2025–26 $m	Variance $m
Cash and Cash Equivalents	108.2	109.1	(0.9)
Receivables	21.2	28.5	(7.3)
Inventories	1.2	1.0	0.2
Land Held for Sale	1.7	0.9	0.8
Other Assets	1.7	2.9	(1.2)
Property, Plant and Equipment	13,814.0	14,029.1	(215.1)
Intangible Assets	33.5	50.1	(16.6)
Biological Assets	60.9	48.8	12.1
Total Assets	**14,042.4**	**14,270.4**	**(228.0)**

Total assets as at 30 June 2026 was **$228.0 million** lower than the original budget of **$14,270.4 million**. This was mainly due to the delay in capital works project being completed and moved to assets.

Total Liabilities

The Directorate's total liabilities as at 30 June 2026 were **$240.5 million**, as presented in Figure C1.5, with the major component comprising of employee benefits representing **51% ($122.3 million)** of total liabilities which includes annual leave and long service leave accrued. In addition, payables represent **23% ($56.1 million)** of total liabilities, mostly reflecting accrued expenses and security deposits refundable to developers. Lease liabilities represent **11% ($26.9 million)** of total liabilities which mostly relates to motor vehicle leases.

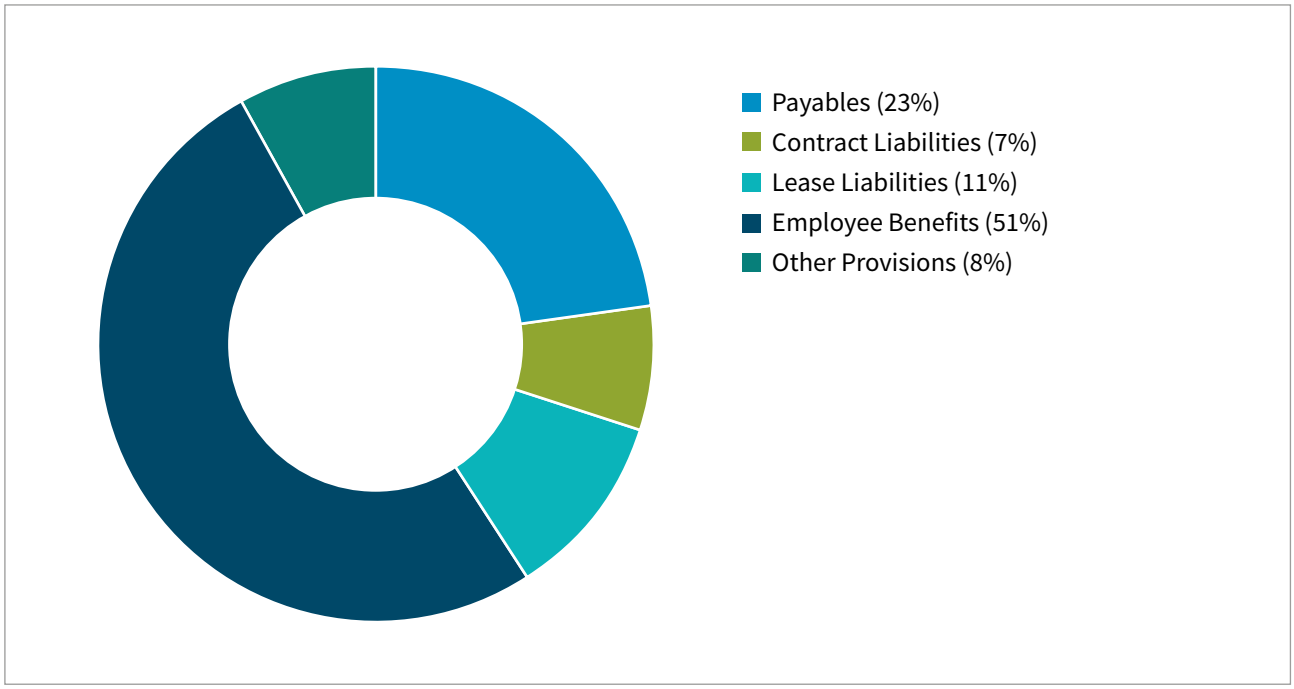


Figure C1.5 – Total liabilities as at 30 June 2026

Table C1.6 – Liabilities Variations to the Original Budget

	Actual 2025–26 $m	Original Budget 2025–26 $m	Variance $m
Payables	56.1	66.7	(10.6)
Contract Liabilities	16.3	20.2	(3.9)
Lease Liabilities	26.9	17.7	9.2
Employee Benefits	122.3	111.9	10.4
Other Provisions	18.9	42.2	(23.3)
Other Liabilities	-	10.0	(10.0)
Total Liabilities	**240.5**	**268.7**	**(28.2)**

Total liabilities as at 30 June 2026 was **$28.2 million** lower than the original 2025–26 budget of **$268.7 million**. This is mainly due to other provisions as the spot rate for Large-scale Generation Certificates was lower than anticipated at budget. The variance in other liabilities reflects reporting realignments across functions consolidated under the Administrative Restructure as expenditure against this budget is reflected in contract liabilities. The decrease in payables and contract liabilities reflects timing of payments at year end.

Territorial Financial Statements

The Territorial financial statements include income, expenses, assets and liabilities that the Directorate administers on behalf of the ACT Government but does not control. It also includes the Office of the Commissioner for Sustainability and the Environment.

Total Territorial Income

Total Territorial income for 2025–26 of **$485.3 million** largely relates to licences, fees and fines **($459.9 million)** and sales **($15.3 million)**. Sales consists of the collection of regulatory service fees **($10.2 million)**, which includes development application and unit title fees and fees under the Energy Efficiency Improvement Scheme ($5.1 million).

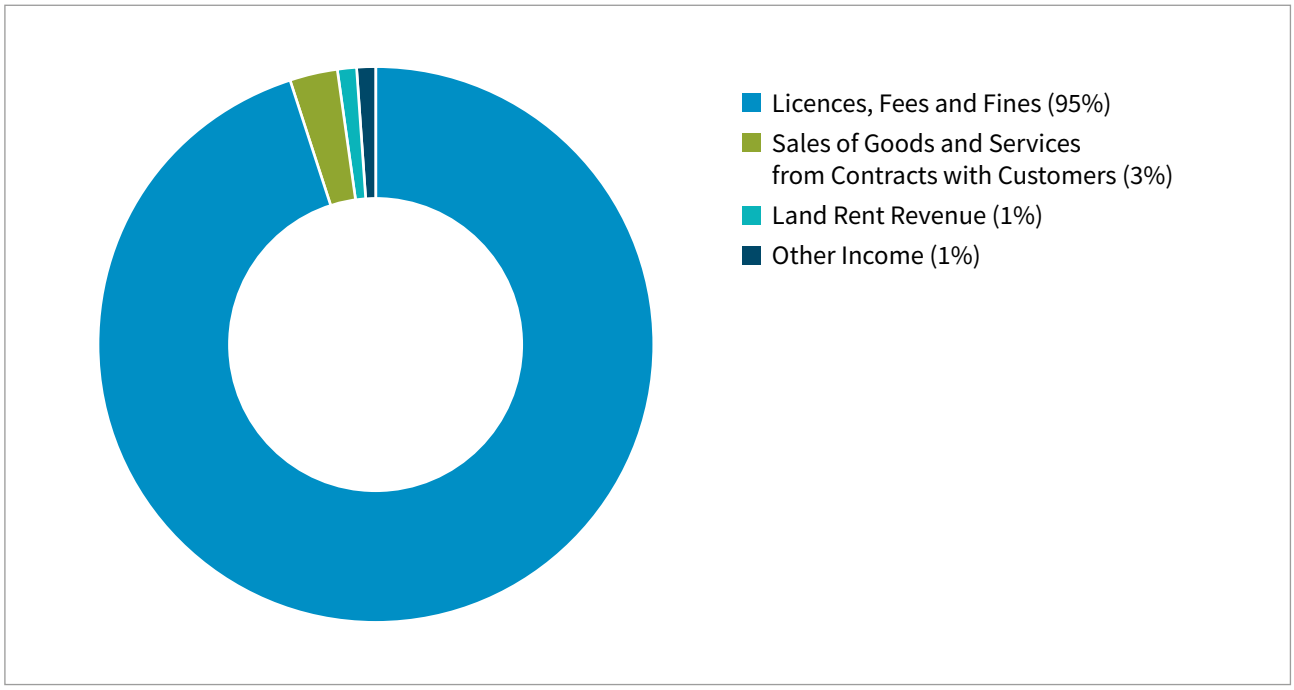


Figure C1.6 – Sources of Territorial Income

Table C1.7 – Territorial – 2025–26 Income Variations to the Original Budget

	Actual 2025–26 $m	Original Budget 2025–26 $m	Variance $m
Payments for Expenses on Behalf of the Territory	1.7	2.8	(1.1)
Licences, Fees and Fines	459.9	435.7	24.2
Sales of Goods and Services from Contracts with Customers	15.3	34.8	(19.5)
Grants and Contributions Income	0.9	0.1	0.8
Land Revenue	5.7	9.6	(3.9)
Other Income	1.8	8.2	(6.4)
Total Income	**485.3**	**491.2**	**(5.9)**

Total Territorial income for 2025–26 of **$485.3 million** is **$5.9 million** lower than the 2025–26 original budget of **$491.2 million**. The lower-than budgeted result primarily reflects the final classification of revenue streams following the establishment of the Directorate under the Administrative Arrangements, with certain revenues budgeted within Sales of Goods and Services subsequently recognised within Licences, Fees and Fines.

Total Territorial Expenditure

The Territorial expenditure of $492.5 million largely relates to the transfer of revenue to the ACT Government, comprising 94% ($465.3 million). Other expenses $27.2 million includes waivers and expenses related to the Energy Efficiency Improvement Scheme.

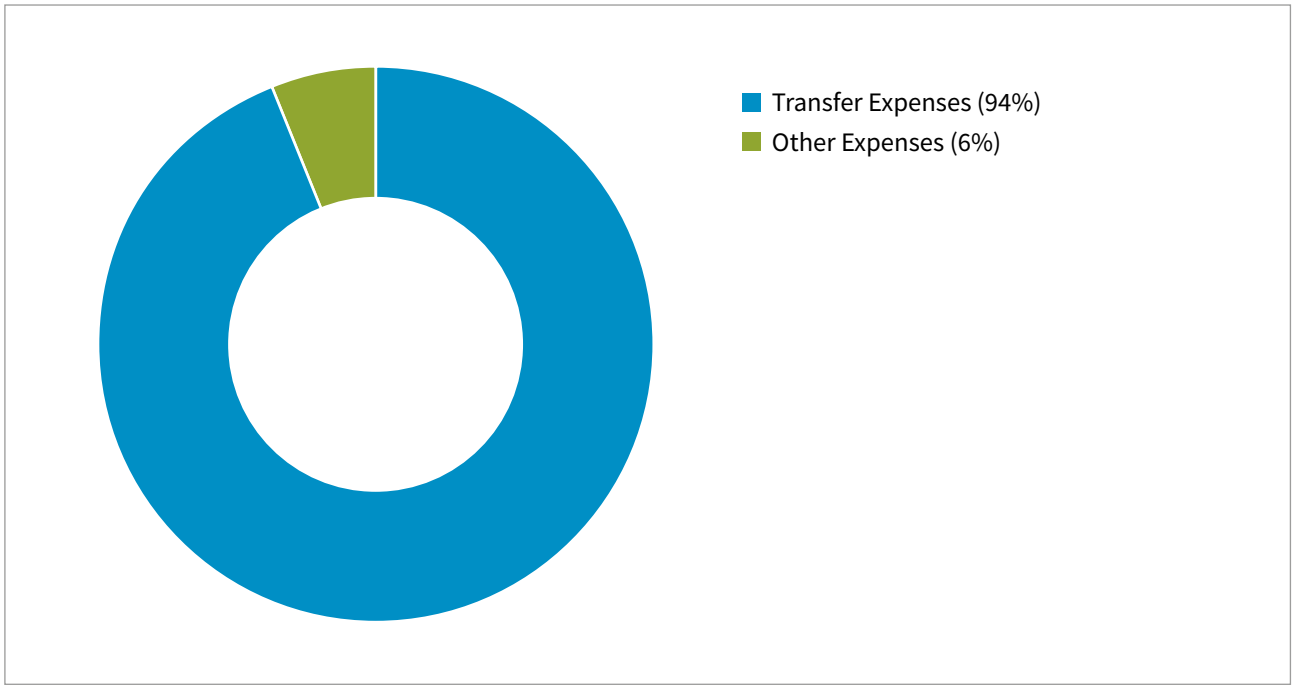


Figure C1.7 – Components of Territorial Expenditure

Table C1.8 – Territorial – Expenditure Variations to the Original Budget

	Actual 2025–26 $m	Original Budget 2025–26 $m	Variance $m
Employee Expenses	1.2	1.2	-
Supplies and Services	1.0	1.7	(0.7)
Cost of Goods Sold	0.1	4.2	(4.1)
Other Expenses	24.9	6.4	18.5
Transfer Expenses	465.3	482.7	(17.4)
Total Expenses	**492.5**	**496.2**	**(3.7)**

Total actual Territorial expenditure in 2025–26 of **$492.5 million** was **$3.7 million** lower than the 2025–26 original budget of **$496.2 million**.

Total Territorial Assets

The Territorial total asset position at 30 June 2026 was **$187.3 million**, of which **39% ($72.2 million)** relates to receivables and **37% (68.9 million)** to Land.

The other major components of the total Territorial assets are represented in Figure C1.8, which are comprised of cash and cash equivalents of **15% ($28.5 million)** and inventories of **9% ($17.2 million)** being unleased land held for transfer to Suburban Land Agency (SLA).

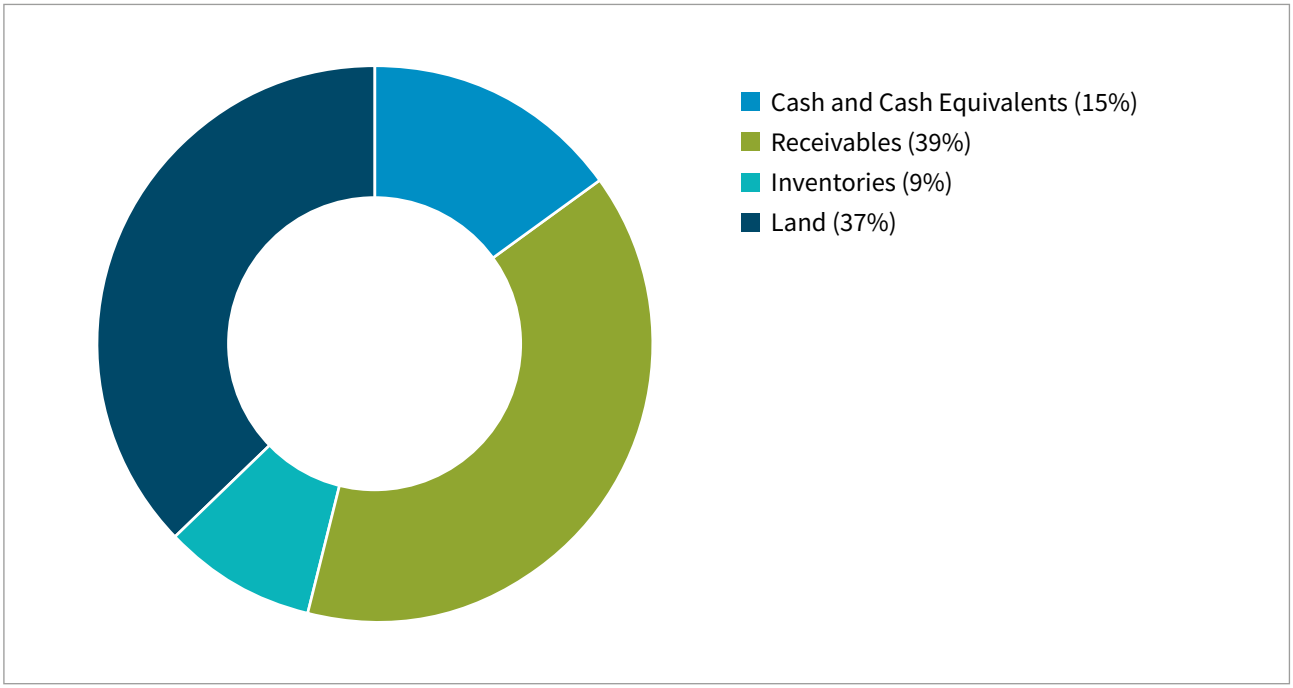


Figure C1.8 – Total Assets as at 30 June 2026

Table C1.9 – Asset Variations to the Original Budget

	Actual 2025–26 $m	Original Budget 2025–26 $m	Variance $m
Cash and Cash Equivalents	28.9	24.4	4.5
Receivables	72.2	68.5	3.7
Investments	-	0.8	(0.8)
Inventories	17.2	11.9	5.3
Land	68.9	69.0	(0.1)
Total Assets	**187.2**	**174.6**	**12.6**

Total assets as at 30 June 2026 was **$12.6 million** higher than the original budget of **$174.6 million**. There were no significant variances although inventories were higher **($5.3 million)** as land transfers to SLA were lower than budgeted.

Total Territorial Liabilities

The Territorial total liabilities as at 30 June 2026 was **$126.9 million**, as presented in Figure 9, with the major components comprising of payables representing **75% ($94.9 million)** and other provisions representing **24% ($30.0 million)**.

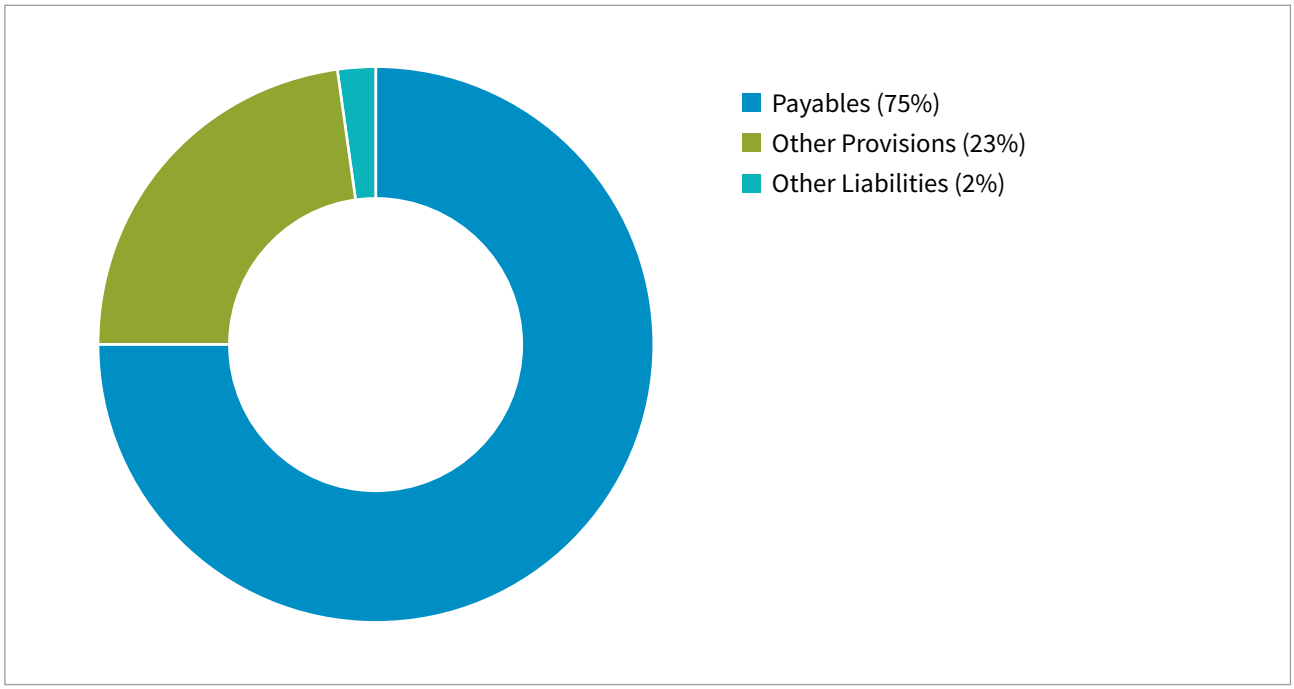


Figure C1.9 – Total liabilities as at 30 June 2026

Table C1.10 – Liabilities Variations to the Original Budget

	Actual 2025–26 $m	Original Budget 2025–26 $m	Variance $m
Payables	94.9	89.4	5.5
Employee Benefits	0.3	0.3	-
Other Provisions	30.0	28.5	1.5
Other Liabilities	1.8	1.2	0.6
Total Liabilities	**127.0**	**119.4**	**7.6**

Total liabilities as at 30 June 2026 was **$7.6 million** higher than the 2025–26 original budget of **$119.4 million**. This is mainly due to an increase in payables as payments were made to the Territory Banking Account (TBA).

C2A Financial Statements – City and Environment Directorate

City and Environment Directorate

Financial Statements

For the Year Ended 30 June 2026

ACT Audit Office

AUDITOR-GENERAL AN OFFICER OF THE ACT LEGISLATIVE ASSEMBLY

INDEPENDENT AUDITOR'S REPORT

To the Members of the ACT Legislative Assembly

Opinion

I have audited the financial statements of the City and Environment Directorate (Directorate) for the year ended 30 June 2026 which comprise the:

- Statement of responsibility by the Director-General and statement by the Chief Finance Officer;
- Controlled financial statements – operating statement, balance sheet, statement of changes in equity, statement of cash flows, and statement of appropriation;
- Territorial financial statements – statement of income and expenses on behalf of the Territory, statement of assets and liabilities on behalf of the Territory, statement of changes in equity on behalf of the Territory, statement of cash flows on behalf of the Territory, and Territorial statement of appropriation; and
- Notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In my opinion, the financial statements:

(i) present fairly, in all material respects, the Directorate's financial position as at 30 June 2026, and its financial performance and cash flows for the year then ended; and

(ii) are presented in accordance with the *Financial Management Act 1996* and comply with Australian Accounting Standards.

Basis for opinion

I conducted the audit in accordance with the Australian Auditing Standards. My responsibilities under the standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of this report.

I am independent of the Directorate in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (Code). I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the Directorate for the financial statements

The Director-General of the City and Environment Directorate is responsible for:

- preparing and fairly presenting the financial statements in accordance with the *Financial Management Act 1996* and relevant Australian Accounting Standards;
- determining the internal controls necessary for the preparation and fair presentation of the financial statements so that they are free from material misstatements, whether due to error or fraud; and
- assessing the ability of the Directorate to continue as a going concern and disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting in preparing the financial statements.

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Auditor's responsibilities for the audit of the financial statements

Under the *Financial Management Act 1996*, the Auditor-General is responsible for issuing an audit report that includes an independent opinion on the financial statements of the Directorate.

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the Directorate's internal controls;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directorate;
- conclude on the appropriateness of the Directorate's use of the going concern basis of accounting and, based on audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Directorate's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Directorate to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether they represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Director-General of City and Environment Directorate regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identified during my audit.

Clea Lewis
Assistant Auditor-General, Financial Audits
30 September 2026

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City and Environment Directorate
Financial Statements
For the Year Ended 30 June 2026

Statement of Responsibility

In my opinion, the City and Environment Directorate's (Directorate's) financial statements fairly reflect the financial operations for the year ended 30 June 2026 and its financial position on that date.

Dave Peffer

Director-General

City and Environment Directorate

29 September 2026

City and Environment Directorate
Financial Statements
For the Year Ended 30 June 2026

Statement by the Chief Financial Officer

In my opinion, the City and Environment Directorate's (Directorate's) financial statements have been prepared in accordance with the Australian Accounting Standards, are in agreement with its accounts and records and fairly reflect its financial operations for the year ended 30 June 2026 and the financial position on that date.

Amy Sleeman

A/g Chief Financial Officer

City and Environment Directorate

29 September 2026

City and Environment Directorate

Controlled Financial Statements

For the Year Ended 30 June 2026

City and Environment Directorate
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Statement of Cash Flows
Statement of Appropriation

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City and Environment Directorate
Content of Controlled Financial Statements

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City and Environment Directorate
Operating Statement
For the Year Ended 30 June 2026

	Note No.	Actual 2026 $'000	Original Budget 2026 $'000
Income			
Controlled Recurrent Payments	#	848,717	841,647
Sales of Goods and Services from Contracts with Customers	4	79,411	65,046
Licences, Fees and Fines	5	18,123	13,090
Grants and Contributions Income	6	140,867	187,444
Interest Revenue		2,009	1,123
Large-Scale Generation Certificates	7	11,052	-
Other Income	8	47,890	6,392
Total Income		**1,148,069**	**1,114,742**
Expenses			
Employee Expenses	9	383,292	361,660
Supplies and Services	10	356,720	364,495
Depreciation and Amortisation	22	261,078	227,512
Grants and Purchased Services	11	272,362	250,468
Borrowing Costs		1,923	582
Large-Scale Generation Certificates	12	11,052	-
Asset Transfers	13	1,159	-
Expensing of Capital Works in Progress	14	10,605	-
Other Expenses	15	8,065	58,257
Transfers to Government	16	25,242	400
Total Expenses		**1,331,498**	**1,263,374**
Operating Result		**(183,429)**	**(148,632)**
Other Comprehensive Result			
Items that will not be reclassified subsequently to profit or loss			
Increase/(Decrease) in the Asset Revaluation Surplus		121,304	-
Total Other Comprehensive Result		**121,304**	**-**
Total Comprehensive Result		**(62,125)**	**(148,632)**

The above Operating Statement is to be read in conjunction with the accompanying notes.

Refer to the Statement of Appropriation.

City and Environment Directorate
Balance Sheet
As at 30 June 2026

	Note No.	Actual 2026 $'000	Original Budget 2026 $'000
Current Assets			
Cash	17	108,183	109,076
Receivables	18	17,993	20,955
Inventories		1,168	1,031
Land Held for Sale			
Loose-Fill Asbestos Insulation Eradication Scheme	19	688	898
Other Assets	20	1,660	2,935
Total Current Assets		**129,692**	**134,895**
Non-Current Assets			
Receivables	18	3,198	7,532
Land - Loose-Fill Asbestos Insulation Eradication Scheme	21	1,047	-
Property, Plant and Equipment	22	13,813,959	14,029,078
Intangible Assets	23	33,532	50,130
Biological Assets	24	60,870	48,830
Total Non-Current Assets		**13,912,606**	**14,135,570**
Total Assets		**14,042,298**	**14,270,465**
Current Liabilities			
Payables	25	56,065	66,711
Contract Liabilities	25	16,325	20,236
Lease Liabilities	26	11,013	7,485
Employee Benefits	27	115,480	105,303
Other Provisions	28	13,485	40,674
Other Liabilities		-	9,921
Total Current Liabilities		**212,368**	**250,330**
Non-Current Liabilities			
Lease Liabilities	26	15,930	10,192
Employee Benefits	27	6,778	6,628
Other Provisions	28	5,391	1,501
Other Liabilities		-	122
Total Non-Current Liabilities		**28,099**	**18,443**
Total Liabilities		**240,467**	**268,773**
Net Assets		**13,801,831**	**14,001,692**
Equity			
Accumulated Funds		13,680,527	6,160,717
Asset Revaluation Surplus		121,304	7,840,975
Total Equity		**13,801,831**	**14,001,692**

The above Balance Sheet is to be read in conjunction with the accompanying notes.

City and Environment Directorate
Statement of Changes in Equity
For the Year Ended 30 June 2026

	Note No.	Accumulated Funds Actual 2026 $'000	Asset Revaluation Surplus Actual 2026 $'000	Total Equity Actual 2026 $'000	Total Equity Original Budget 2026 $'000
Balance at 1 July 2025[1]		**-**	**-**	**-**	**13,637,902**
Comprehensive Result					
Operating Result		(183,429)	-	(183,429)	(148,632)
Increase in the Asset Revaluation Surplus		-	121,304	121,304	-
Total Comprehensive Result		**(183,429)**	**121,304**	**(62,125)**	**(148,632)**
Capital Injections	#	172,528	-	172,528	265,528
Capital Payments to TCO		(44,064)	-	(44,064)	(63,824)
Net Assets Transferred in/(out) as part of an Administrative Restructure	29	13,735,492	-	13,735,492	311,568
Capital Distributions		-	-	-	(850)
Total Transactions Involving Owners Affecting Accumulated Funds		**13,863,956**	**-**	**13,863,956**	**512,422**
Balance at 30 June 2026		**13,680,527**	**121,304**	**13,801,831**	**14,001,692**

The above Statement of Changes in Equity is to be read in conjunction with the accompanying notes.

[1] As the City and Environment Directorate was established as a new Directorate, the opening balances are more appropriately recognised as net asset transfers under the Administrative Arrangements.

Refer to the Statement of Appropriation.

City and Environment Directorate
Statement of Cash Flows
For the Year Ended 30 June 2026

	Note No.	Actual 2026 $'000	Original Budget 2026 $'000
Cash Flows from Operating Activities			
Receipts			
Controlled Recurrent Payments		848,717	841,647
Sales of Goods and Services from Contracts with Customers		85,581	64,107
Fees and Fines		14,802	13,411
Grants and Contributions Receipts		6,107	1,668
Goods and Services Input Tax Credits from ATO		36,730	26,352
Interest Received		2,008	986
Goods and Services Tax Collected from Customers		7,507	4,651
Other		39,334	8,086
Total Receipts from Operating Activities		**1,040,786**	**960,908**
Payments			
Employee Payments		380,587	354,877
Supplies and Services		299,030	320,284
Grants and Purchased Services		273,143	250,703
Borrowing Costs		18	33
Transfer of Territory Receipts to the ACT Government		25,242	400
Goods and Services Tax Remitted to ATO		7,447	4,582
Goods and Services Tax Paid to Suppliers		36,824	26,390
Other		5,189	5,640
Total Payments from Operating Activities		**1,027,480**	**962,909**
Net Cash Inflows/(Outflows) from Operating Activities		**13,306**	**(2,001)**
Cash Flows from Investing Activities			
Receipts			
Proceeds from Sale of Property, Plant and Equipment		840	1,250
Loan Receivable Repayment Received		597	842
Trust Monies		104	-
Total Receipts from Investing Activities		**1,541**	**2,092**
Payments			
Purchase of Property, Plant and Equipment		3,188	18,324
Purchase of Capital Works		109,505	165,885
Loans Receivable Provided		684	1,964
Purchase of Scheme Land and Demolition Costs		95	-
Trust Monies		306	-
Total Payments from Investing Activities		**113,778**	**186,173**
Net Cash (Outflows) from Investing Activities		**(112,237)**	**(184,081)**

City and Environment Directorate
Statement of Cash Flows – Continued
For the Year Ended 30 June 2026

	Note No.	Actual 2026 $'000	Original Budget 2026 $'000
Cash Flows from Financing Activities			
Receipts			
Capital Injections		172,528	265,528
Receipts of Transferred Cash Balances from Administrative Arrangements		92,271	70,422
Total Receipts from Financing Activities		**264,799**	**335,950**
Payments			
Repayment of Lease Liabilities - Principal		13,621	5,655
Capital Payments to TCO		44,064	63,824
Total Payments from Financing Activities		**57,685**	**69,797**
Net Cash Inflows from Financing Activities		**207,114**	**266,153**
Net (Decrease)/Increase in Cash and Cash Equivalents		108,183	79,221
Cash and Cash Equivalents at the Beginning of the Reporting Period		-	29,855
Cash and Cash Equivalents at the End of the Reporting Period	17	**108,183**	**109,076**

The above Statement of Cash Flows is to be read in conjunction with the accompanying notes.

City and Environment Directorate
Statement of Appropriation
For the Year Ended 30 June 2026

Description and Material Accounting Policies relating to Controlled Recurrent Payments

Controlled Recurrent Payments (CRP) are revenue received from the ACT Government to fund the costs of delivering outputs and includes Community Service Obligations (CSO). CSOs are received mainly for Transport Canberra Operations (TCO)'s public transport operations.

CRP is recognised when the Directorate gains control over the funding, which is normally obtained upon the receipt of cash, given they do not contain enforceable and sufficiently specific performance obligations as defined by AASB 15.

Capital injections appropriation is not recognised as income but instead is recognised as an equity injection and a cash inflow that is used to purchase/build an asset(s) or to reduce a liability(s).

Column Heading Explanations

The Original Budget column shows the amounts that appear in the Statement of Cash Flows in the Budget Papers. This amount also appears in the Statement of Cash Flows.

The Total Appropriated column is inclusive of all appropriation variations occurring after the Original Budget.

The Appropriation Drawn is the total amount of appropriation received by the Directorate during the year. This amount appears in the Statement of Cash Flows.

	Original Budget 2026 $'000	Total Appropriated 2026 $'000	Appropriation Drawn 2026 $'000
Controlled			
Controlled Recurrent Payments	841,647	871,388	848,717
Capital Injections	265,528	294,288	172,528
Total Controlled Appropriation	**1,107,175**	**1,165,676**	**1,021,245**

The above Statement of Appropriation is to be read in conjunction with the accompanying notes.

City and Environment Directorate
Controlled Statement of Appropriation – Continued
For the Year Ended 30 June 2026

Variances between 'Original Budget', 'Total Appropriated' and 'Appropriation Drawn'

Reconciliation of Appropriation for 2025-26	**Controlled Recurrent Payments (CRP) $'000**	**Capital Injections (CI) $'000**
Original Appropriation	**841,647**	**265,528**
Transfer of functions from CMTEDD (FMA s.16)[1]	28,450	391
Appropriation for accrued employee entitlements (FMA s.16A)	-	7,257
Rollover of Undisbursed Appropriation (FMA s.16B)	-	21,018
Variation of Appropriations for Commonwealth Grants (FMA s.17)	1,291	94
Total Appropriated	**871,388**	**294,288**
Budget Rollovers	(22,671)	(121,760)
Controlled Appropriation Drawn	**848,717**	**172,528**

[1] A Section 16 instrument under the Financial Management Act 1996 was approved by the Treasurer to facilitate the transfer of appropriation funding related to the Affordable Housing Policy Coordination (AHPC) Branch from CMTEDD to the City and Environment Directorate.

Controlled Recurrent Payments

Undrawn CRP is predominantly related to delays in milestones for anticipated grant payments and delays in the financial completion of other initiatives.

Capital Injections

Undrawn Capital Injections predominantly relate to the deferral and delays of capital infrastructure projects.

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 1 OBJECTIVES OF THE DIRECTORATE

City and Environment Directorate's (CED) purpose is to integrate four core services into a high performing integrated system: planning, transport, land management (city and nature) and regulatory services. When our systems work together, Canberra moves smarter, grows stronger, and delivers better outcomes for the community and our environment.

Our vision is to create a sustainable city that is a great place to live. To do this we'll integrate our systems and our thinking to make it easier for the community to interact with government and build trust in our services. From getting your driver's licence through to planning our city, we'll work towards a connected and seamless experience. We'll be open to smarter ways of working – with a focus on impact rather than activity. We'll focus on key services that matter most to Canberrans: environment and green space, maintaining our beautiful and liveable city, enabling housing and delivering a well-functioning multimodal transport system.

CED contributes to the wellbeing of Canberrans (and visitors) through delivering land, planning and building policy and regulation, renewed urban spaces including neighbourhood parks, sportsgrounds and recreational facilities, and conserving the ACT's natural and cultural environments. CED improves community safety by managing bushfire risk and making ACT roads safer for all users including vulnerable users.

CED strives to continually improve public transport outcomes, providing an integrated light rail and bus network that is convenient, efficient, affordable, sustainable, and reliable.

CED has been leading work on emissions reduction, clean and affordable energy, and electric vehicles uptake through implementation of the ACT Climate Change Strategy, Integrated Energy Plan 2024-2030, and ACT's Zero Emissions Vehicles Strategy 2022-30.

CED also leads policy and programs to protect, conserve, and enhance nature and heritage in the ACT, including managing parks and reserves.

There are a range of services delivered by CED including libraries, waste and recycling services, safer walking and cycling around schools, and the wider city services through Access Canberra's Contact, Service and Specialised Centres. In designing and delivering these services, CED strives to make them accessible for all members of the community.

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 2 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

Legislative Requirements

The *Financial Management Act 1996* (FMA) requires the preparation of annual financial statements for ACT Government Directorates.

The FMA, and the *Financial Management Guidelines* issued under the Act, requires a Directorate's financial statements to include:

(i) an Operating Statement for the year;

(ii) a Balance Sheet at the end of the year;

(iii) a Statement of Changes in Equity for the year;

(iv) a Statement of Cash Flows for the year;

(v) a Statement of Appropriation for the year;

(vi) an Operating Statement for each class of output for the year (excluding Other Comprehensive Income);

(vii) the material accounting policies adopted for the reporting year; and

(viii) other statements as necessary to fairly reflect the financial operations of the Directorate during the year and its financial position as at the end of the year.

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards (as required by the FMA), supplemented by following the ACT Accounting and Disclosure Policies.

Accrual Accounting

The financial statements have been prepared using the accrual basis of accounting. The financial statements are prepared according to the historical cost convention, except for property, plant and equipment and financial instruments which are valued at fair value in accordance with (re)valuation policies applicable to the Directorate during the reporting period.

Currency

These financial statements are presented in Australian dollars, which is the Directorate's functional currency.

Individual Not-for-Profit Reporting Entity

The Directorate is an individual not-for-profit financial reporting entity.

Controlled and Territorial Items

The Directorate produces Controlled and Territorial financial statements. The Controlled financial statements include income, expenses, assets and liabilities over which the Directorate has control. The Territorial financial statements include income, expenses, assets and liabilities that the Directorate administers on behalf of the ACT Government but does not control.

The purpose of the distinction between Controlled and Territorial is to enable an assessment of the Directorate's performance against the decisions it has made in relation to the resources it controls, while maintaining accountability for all resources under its responsibility.

The basis of preparation described applies to both Controlled and Territorial financial statements except where specified otherwise.

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 2 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS – CONTINUED

Reporting Period

These financial statements state the financial performance, changes in equity and cash flows of the Directorate for the year ended 30 June 2026 together with the financial position of the Directorate as at 30 June 2026.

Comparative Figures

Budget Figures

To facilitate a comparison with the Budget Papers, as required by the FMA, budget information for 2025-26 has been presented in the financial statements. Budget numbers in the financial statements are the original budget numbers for CED that appear in the Budget Papers for 2025-26.

Prior Year Comparatives

No prior year comparatives have been disclosed for the reporting period. The City and Environment Directorate (CED) was established on 1 July 2025 under *Administrative Arrangements 2025 (No.1) (NI2025-350)* as a new reporting entity. Refer Note 29: *Restructure of Administrative Arrangements*.

While CED incorporates functions previously undertaken by Transport Canberra and City Services Directorate (TCCS), Environment, Planning and Sustainable Development Directorate (EPSDD), and elements of the Chief Minister, Treasury and Economic Development Directorate (CMTEDD), the Directorate represents a substantively new structure, including revised functions, outputs, governance arrangements and organisational design.

On this basis, prior period amounts are not directly comparable and have not been presented.

Rounding

All amounts in the financial statements have been rounded to the nearest thousand dollars ($'000). Use of "-" represents zero amounts or amounts rounded down to zero.

Going Concern

Notwithstanding the Directorate has net current liabilities, the 2025-26 financial statements have been prepared on a going concern basis as the Directorate has been funded in the ACT Government 2026-27 Budget and the Budget Papers include forward estimates for the City and Environment Directorate.

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 3 IMPACT OF ACCOUNTING STANDARDS ISSUED BUT YET TO BE APPLIED

The information below applies to both the Controlled and Territorial financial statements.

All Australian Accounting Standards and Interpretations issued but yet to be applied are applicable to future reporting periods and will be adopted from their application date.

Standards and Interpretations issued but yet to be applied have been assessed as not being relevant to CED or will have an immaterial financial impact on CED. However, AASB 18 *Presentation and Disclosure in Financial Statements* (applicable 1 January 2027 for for-profit public sector agencies or applicable 1 January 2028 for not-for-profit public sector agencies) does contain presentation/disclosure changes that may impact on CED including:

- that operating, investing and financing categories as well as additional subtotals have to be included in the agency's operating statement;
- the disclosure of management-defined performance measures and reconciliations of these measures with the subtotals required by AASB Standards; and
- enhanced requirements for the grouping (aggregation and disaggregation) of information in the financial statements and in the notes.

The AASB has issued an exposure draft (ED 338 *Application of AASB 18 and AASB 107 by Superannuation and Not-for-Profit Entities and Operating Cash Flow Reconciliation*) that outlines modifications to AASB 18 for not-for-profit public sector entities. If these modifications in the exposure draft are adopted, they will effectively enable CED to continue to broadly apply the existing disclosure requirements contained in AASB 101 *Presentation of Financial Statements.* However, as this exposure draft is not yet finalised, the impact on CED's financial statements from the adoption of AASB 18 cannot be determined at this time.

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

INCOME NOTES

Material Accounting Policies – Income

Income Recognition

Revenue is recognised in accordance with AASB 15 *Revenue from Contracts with Customers* where the contract is enforceable and contains sufficiently specific performance obligations, otherwise income is in the scope of AASB 1058 *Income of Not-for-Profit Entities*.

NOTE 4 SALES OF GOODS AND SERVICES FROM CONTRACTS WITH CUSTOMERS

Description and Material Accounting Policies relating to the Sale of Goods and Services

The Directorate earns revenue from providing goods and services to other ACT Government agencies, private sector consumers and to the public. This revenue is legally retained by the Directorate and driven by consumer demand. Where payment is not received at the time of purchase, payments from customers are generally required within 30 days of the provision of services. The Directorate assesses its revenue from contracts with customers and uses key judgements in determining the satisfaction of performance obligations. Key judgements are also used in determining the transaction price and the amounts allocated to performance obligations.

Acceptance Fees for Contaminated Waste

Acceptance Fees for Contaminated Waste is for the disposal of waste relating to asbestos, animal carcasses and other waste requiring special burial arrangements. The performance obligation is the provision of landfill site access to a customer. The Directorate meets its performance obligations and records revenue at the time of disposal of contaminated waste at the landfill sites.

Sale of Goods

Sale of Goods primarily relates to plants at the Yarralumla Nursery, green bin sales and forestry operations. The performance obligation is the supply of plants and green bins to a customer. Revenue is recognised on the transfer of physical possession to a customer. For sales of timber, a receivable is raised for payment upon delivery and acceptance by the timber mills.

User charges

User charges primarily relate to the delivery of sustainability programs under the Energy Efficiency Improvement Scheme (EEIS). Revenue is recognised on completion of the performance obligations linked to the energy saving activities identified under the Energy Efficiency (Cost of Living) Improvement Act 2012. The funding is transferred from the Directorate's Territorial accounts, where the Energy Efficiency Improvement Scheme involves the collection of fees under the Act.

Other Revenue from Contracts with Customers

This includes Conveyancing Enquiries and Reports and Public Notification and Other Service Revenue (Camping, Tidbinbilla Entrance Fees, Agistment, Sale of Publications and Drafting and Mapping revenues). It also includes recoveries from ACT Government Agencies in relation to the Vulnerable Household Energy Support Scheme. Conveyancing Enquiries and Reports and Public Notification revenue is recognised on the provision of documents to request the service. Other Service Revenue is recognised at point of sale and/or provision of services.

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 4 SALES OF GOODS AND SERVICES FROM CONTRACTS WITH CUSTOMERS – CONTINUED

	2026 $'000
Acceptance Fees for Contaminated Waste	5,723
Sale of Goods and Products including Timber	15,938
User Charges	33,078
Conveyancing Enquiries and Reports	1,680
Public Notification	740
Recoveries	17,649
Other Service Revenue	4,603
Total Sales of Goods and Services from Contracts with Customers	**79,411**

NOTE 5 LICENCES, FEES AND FINES

Description and Material Accounting Policies relating to Licences, Fees and Fines

Waste Acceptance Fees consist of landfill fees for household and commercial waste drop off at the Mugga Lane and Mitchell Resource Management Centres, including tyres and mattress recycling. Fees are also charged to the Queanbeyan City Council for domestic landfill charges.

Roads and Public Places Fees and Other Fees represent revenues raised under the *Public Unleased Land Act 2013.*

Fees are either recognised as revenue at the time of receipt or when the fee is incurred. Fines are recognised as revenue on the issue of the relevant infringement notice. Where the fine attracts a penalty for late payment, the penalty amount is recognised as revenue on issue of the late payment notice.

	2026 $'000
Waste Acceptance Fees	8,079
Fees for Regulatory Services	6,479
Other Licences, Fees and Fines	3,565
Total Licences, Fees and Fines	**18,123**

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 6 GRANTS AND CONTRIBUTIONS INCOME

Description and Material Accounting Policies relating to Grants and Contributions Income

Grants and Contributions Accounting Policy

Where the Directorate receives an asset or services for significantly less than fair value then the transaction is in the scope of AASB 1058 *Income of Not-for-Profit Entities* and income is recognised on receipt of the asset/services. The related expense and/or asset is recognised in the line item to which it relates, when the services are received.

Goods and services received free of charge from ACT Government agencies are recognised as resources received free of charge, whereas goods and services received free of charge from entities external to the ACT Government are recognised as grants, donations or contributions.

All the services listed below are recognised in the Operating Statement or Balance Sheet as appropriate as services received free of charge where they can be reliably measured and would have been purchased if not provided to the Directorate free of charge.

Chief Minister, Treasury and Economic Development Directorate (CMTEDD) Resources Received Free of Charge

Shared Services Resources Received Free of Charge

The Directorate is required by the ACT Government to use Shared Services for its financial and HR processing. Shared Services is part of CMTEDD. Given Shared Services is directly appropriated by the ACT Government to provide certain services at a fixed cost to the Directorate, it means that the Directorate does not have to pay for these services.

Professional Standards Unit (PSU)

Professional Standards Unit (PSU) is part of CMTEDD and provides investigation services regarding misconduct and other complaints relating to employees across the ACT Public Service. In addition to investigating complaints, PSU, through the office of the Public Sector Standards Commissioner also advises the Chief Minister on matters arising from investigations conducted. Given PSU is directly appropriated by the ACT Government, the Directorate does not have to pay for these services. CMTEDD provided the Directorate with the fair value of the services provided.

Injury Management Unit (IMU)

Injury Management Unit (IMU) is also part of CMTEDD and provides support and assistance for workplace injury management. IMU also offers guidance on policies and procedures to ensure the health, safety, and wellbeing of the ACT Public Service workforce. Given IMU is directly appropriated by the ACT Government, the Directorate does not have to pay for these services. CMTEDD provides the Directorate with the fair value of the services provided.

Justice and Community Safety Directorate (JACS) Resources Received Free of Charge

ACT Parliamentary Counsel's Office Resources Received Free of Charge

The Directorate is required by the ACT Government to use the ACT Parliamentary Counsel's Office for its drafting and publishing services. The ACT Parliamentary Counsel's Office is part of JACS. Given the ACT Parliamentary Counsel's Office is directly appropriated by the ACT Government to provide certain services at a fixed cost to the Directorate, it means that the Directorate does not have to pay for these services.

ACT Government Solicitor's Office (GSO) Resources Received Free of Charge

Legal Services were received free of charge from the ACT Government Solicitor's Office (GSO).

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 6 GRANTS AND CONTRIBUTIONS INCOME - CONTINUED

Digital Canberra (DCBR)

DCBR provides information and communication technology (ICT) services to the Directorate. DCBR is directly appropriated by the ACT Government to provide these ICT services to the Directorate and as such the Directorate receives these services free of charge. The Directorate is required by the ACT Government to use DCBR for these services.

Project Management Services provided by Infrastructure Canberra (iCBR)

iCBR provides procurement and infrastructure delivery services to the Directorate free of charge. iCBR is directly appropriated to deliver these services and as such, the Directorate is required to use these services. The fair value of the services provided are capitalised on the Balance Sheet as they are directly attributable to the creation of the assets for which the service is provided.

Other Grants and Contributions Income

The Directorate has determined that the agreements/arrangements relating to 'Other Grants and Contributions Income' line items included in this note are not enforceable and they do not contain sufficiently specific performance obligations for recognising revenue from contracts with customers under AASB 15 *Revenue from Contracts with Customers*. This is because none of the arrangements require the Directorate to provide an equal amount in return for the consideration received. As such, AASB *1058 Income of Not-for-Profit Entities* has been applied for recognising this revenue. This revenue is recognised upon receipt of the donation, the grant funding or restructure fund receipts.

	2026 **$'000**
Resources Received Free of Charge	
Legal Services	6,717
Financial Services provided by Shared Services	2,595
Human Resources Services provided by Shared Services	2,479
Record Management Services provided by TRO and QMAC	712
Investigation Services provided by PSU	369
Workplace Injury Support provided by IMU	899
Procurement Management Service provided by PACT	1,208
Information and Communication Technology services provided by Digital Canberra	22,120
Project Management Services provided by Infrastructure Canberra	7,842
Other Services	13,896
Total Resources Received Free of Charge	**58,837**
Other Grants and Contributions Income	
Grants and Contributions from ACT Government Entities:	
Assets Received from ACT Government Entities[1]	37,813
Grants and Contributions from Non ACT Government Entities:	
Assets Received from Private Developers	38,502
Waste Education Fund Contribution	2,899
Commonwealth Government Grants	2,708
Energy Innovation Fund	108
Total Other Grants and Contributions Income	**82,030**
Total Grants and Contributions Income	**140,867**

[1] The Directorate received infrastructure assets from other ACT Government entities, principally the Suburban Land Agency and the City Renewal Authority, comprising roadworks, paths, stormwater, lighting, signs and associated infrastructure.

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 7 LARGE-SCALE GENERATION CERTIFICATES REVENUE

Description and Material Accounting Policies relating to Right to Receive Large-Scale Generation Certificates

Right to Receive Large-Scale Generation Certificate revenue arises from the core activities of the Directorate.

Large-Scale Generation Certificate revenue relates to the transfer of renewable energy certificates to the Directorate by large scale generators of electricity under the Renewable Energy Target Scheme.

The Directorate receives Certificates from Large-Scale Renewable Energy Generators (LREGs) as part of the LREGs obligations under a deed of entitlement.

Revenue from Certificates is recognised when:

- the Directorate obtains control of the Right to Receive a Certificate or the actual Certificate;
- it is probable that the economic benefit from the Certificate will flow to the Directorate; and
- the fair value of the Certificate can be reliably measured.

The Directorate determines that there is an economic benefit of the Certificates, based on the obligation to meet clean energy targets.

The Certificates are transferred at no cost to the Directorate from LREGs. The Directorate recognises revenue at the fair value as determined by the open market of each Certificate at the date the LREG receives a feed in tariff support payment from the ACT electricity distributor. Refer to Note: 23 *Intangible Assets* – Large Scale Generation Certificates for further information on the fair value of the Certificates.

Revenue is recognised at fair value when the Directorate obtains control over the future benefits in accordance with AASB 1058 *Income of Not-for-Profit Entities* and AASB 138 *Intangible Assets*.

	2026 $'000
Large-Scale Generation Certificates	
Right to Receive Large-Scale Generation Certificates	17,207
Fair Value Movement on Large-Scale Generation Certificates - Intangible Asset[1]	(6,155)
Total Large-Scale Generation Certificates Revenue	**11,052**

[1]Large-Scale Generation Certificates are revalued at 30 June each year using the spot price for certificates in the market. Fair value increments are recognised as revenue in the Operating Statement.

The spot price at 30 June 2026 was $7.00.

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 8 OTHER INCOME

Description and Material Accounting Policies Relating to Other Income

Other Revenue and Other Gains

Other Revenue arises from the core activities of the Directorate, whereas Other Gains are transactions that are not part of the Directorate's core activities and tend to be one off.

	2026 $'000
Other Revenue	
Insurance Recoveries and Settlements	27,567
Other Revenue	6,822
Rent from Tenants	489
Total Other Revenue	**34,878**
Other Gains	
Gain on Sale of Assets	791
Fair Value Movement on Biological Assets	12,221
Total Other Gains	**13,012**
Total Other Income	**47,890**

EXPENSE NOTES

NOTE 9 EMPLOYEE EXPENSES

Description and Material Accounting Policies Relating to Employee Expenses

Employee expenses comprise all costs incurred in relation to employing staff including wages and salaries, fringe benefits tax, leave entitlements, annual leave loading, termination payments, workers' compensation insurance premiums, accrued flextime, non-monetary benefits, and other employee benefits and on-cost expenses.

Wages and salaries are recognised in the reporting period when the employee renders services to the Directorate. They are measured based on the amount paid to employees during the year as well as any wages and salaries due to employees that remain unpaid at the end of the financial year.

Superannuation Expense

Employees of the Directorate have different superannuation arrangements due to the type of superannuation scheme available at the time of commencing employment, including both defined benefit and defined contribution superannuation scheme arrangements.

For employees who are members of the defined benefit Commonwealth Superannuation Scheme (CSS) and Public Sector Superannuation Scheme (PSS), the Directorate makes employer superannuation contribution payments to the Territory Banking Account at a rate determined by Chief Minister, Treasury and Economic Development Directorate. The Directorate also makes productivity superannuation contribution payments on behalf of these employees to the Commonwealth Superannuation Corporation, which is responsible for administration of the schemes.

For employees who are members of defined contribution superannuation schemes (the Public Sector Superannuation Scheme Accumulation Plan (PSSAP) and schemes of employee choice), the Directorate makes employer superannuation contribution payments directly to the employees' relevant superannuation fund.

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 9 EMPLOYEE EXPENSES - CONTINUED

All defined benefit employer superannuation contributions are recognised as expenses on the same basis as the employer superannuation contributions made to defined contribution schemes. The accruing superannuation liability obligations are expensed as they are incurred and extinguished as they are paid.

	2026 $'000
Wages and Salaries	289,381
Annual Leave Expense	25,203
Long Service Leave Expense	5,987
Workers' Compensation Insurance Premium	6,075
Payroll Tax	462
Other Employee Benefits and On-Costs	3,956
Superannuation Contributions to the Territory Banking Account	15,056
Productivity Benefit	1,330
Superannuation Payment to CSC (for the PSSAP)	2,218
Superannuation to External Providers	32,328
Flextime Expense	1,296
Total Employee Expenses	**383,292**

NOTE 10 SUPPLIES AND SERVICES

Description and Material Accounting Policies Relating to Supplies and Services

General - Supplies and Services

Purchases of Supplies and Services generally represent the day-to-day running costs incurred in normal operations, recognised in the reporting period in which these expenses are incurred. Supplies and Services are measured at the amount paid or payable, or where Supplies and Services have been provided free of charge, they are measured at their fair value at the time they are provided.

Repairs and Maintenance

Maintenance expenses, which do not increase the service potential of an asset, are recognised as an expense.

Insurance

Major risks are insured through the ACT Insurance Authority. The excess payable, under this arrangement, varies depending on each class of insurance held.

Legal Expenses

The Directorate has recognised legal expenses related to legal services received free of charge from the ACT Government Solicitor's Office (GSO). The GSO provided the Directorate with the fair value of the services provided.

Auditor Service Fees

Auditor's remuneration consists of financial audit services provided to the Directorate by the ACT Audit Office. The Directorate audit fees for the audit of its 2025-26 financial statements and review of its statement of performance was $532,949. No other services were provided by the ACT Audit Office.

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 10 SUPPLIES AND SERVICES - CONTINUED

	2026 $'000
Contractors and Consultants	146,926
Repairs and Maintenance	64,608
Rental Expenses	40,803
Information Technology and Office Equipment	41,835
Consumables	18
Lease Costs	7,402
Insurance	13,970
Legal Services	9,089
Travel and Fleet Cost	279
Advertising and Communication	1,709
Cost of Goods Sold	8,022
Staff Development and Training	4,162
Other Supplies and Services	13,201
Postage, Printing and Stationery	4,696
Total Supplies and Services	**356,720**

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 11 GRANTS AND PURCHASED SERVICES

Description and Material Accounting Policies relating to Grants and Purchased Services

Grants are amounts provided to ACT Government agencies and non-ACT Government agencies for general assistance or for a particular purpose. Grants may be for capital, current or recurrent purposes and the name or category reflects the use of the grant. The grants given are usually subject to terms and conditions set out in the contract, correspondence, or by legislation.

Grants are goods, services or assets that are provided to another entity without receiving approximately equal value in return. Grants are measured at the fair value of the transaction, at the time that transaction occurs. The Directorate provides grants to various community organisations.

Purchased services are typically services that are purchased by the Directorate which are not provided directly to the Directorate itself but are instead provided on behalf of the Directorate to others, whereas the expenses disclosed in Note 10: *Supplies and Services* are typically provided directly to the Directorate itself. Purchased services transactions are reciprocal in nature.

Payments to Transport Canberra Operations are provided for the provision of public transport services.

	2026 **$'000**
Recurrent Grants	
Energy Innovation Fund[1]	7,428
Grants to Community Organisations - Other[2]	17,002
Total Recurrent Grants	24,430
Purchased Services	
Payments to TCO	247,932
Total Purchased Services	247,932
Total Grants and Purchased Services	**272,362**

[1]The Energy Innovation Fund was previously known as the Renewable Energy Innovation Fund. The Energy Innovation Fund grants program supports innovative energy technologies and solutions for net zero transformation.

[2]Grants to Community Organisations – Other primarily include payments related to environmental programs, catchment coordination groups and electric vehicle charging stations.

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 12 LARGE-SCALE GENERATION CERTIFICATES EXPENSE

Description and Material Accounting Policies Relating to Large-Scale Generation Certificates

Large-Scale Generation Certificates (LGCs) are renewable energy certificates transferred to the Directorate by large scale generators of electricity under the Renewable Energy Target Scheme.

The ACT Government policy is to surrender LGCs in order to meet the ACT's 100 per cent renewable electricity target. Under AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* this creates a constructive obligation as the statement creates an expectation to the community that the Government will surrender LGCs to meet its renewable electricity target.

A provision and expense are recognised on transfer of the certificates to the Directorate. No expense is recognised when certificates are surrendered. Any changes to the fair value of the provision are recognised in the Operating Statement. The fair value is measured at the spot rate for certificates in the market at 30 June.

See Note 23: *Intangible Assets* for further details as to the surrender process.

	2026 $'000
Large-Scale Generation Certificates	
Additional Provision Recognised - Large Scale Generation Certificates[1]	17,207
Fair Value Movement on Large-Scale Generation Certificates - Provision	(6,155)
Total Large-Scale Generation Certificates Expense	**11,052**

[1] This reflects the movement in the provision recognised for Large-Scale Generation Certificates received in 2025-26.

NOTE 13 ASSET TRANSFERS

Description and Material Accounting Policies Relating to Asset Transfers

Asset Transfers between the Directorate and other ACT Government Directorates occur in the ordinary course of business. If in accordance with the Australian Accounting Standards AASB 1004 *Contributions* a transfer does not qualify for recognition as an equity transfer it should be recognised as revenue or expense in the Operating Statement, as appropriate.

	2026 $'000
Asset Transfers	
Asset Transfer of Completed Capital Works to ACT Government Entities[1]	1,159
Total Asset Transfers	**1,159**

[1]Relates to the transfer of completed capital works projects, land and electric vehicle chargers to ACT Government Directorates and Agencies.

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 14 EXPENSING OF CAPITAL WORKS IN PROGRESS

Description and Material Accounting Policies Relating to Expensing of Capital Works in Progress

Expenses relating to capital works in progress primarily comprise costs that do not meet the criteria for capitalisation, including feasibility studies, planning and design activities, preliminary investigations, and demolition costs, and are therefore recognised as an expense when incurred.

	2026 $'000
Expensing of Capital Works in Progress	10,605
Total Expensing of Capital Works in Progress	**10,605**

NOTE 15 OTHER EXPENSES

Description of Material Accounting Policies Relating to Other Expenses

Impairment Losses – Non-Financial Assets

Impairment loss expenses are recognised for both property, plant and equipment, and intangible assets when their carrying amount is higher than their recoverable amount, with the difference between the two being the amount of the impairment loss. Impairment losses for plant and equipment, lease hold improvements and intangibles are recognised as an expense in the Operating Statement. Impairment losses for land, buildings, infrastructure, and heritage and community assets, are only recognised as an expense when the amount of the impairment is greater than the balance in the Asset Revaluation Surplus for the relevant class of asset.

Impairment Losses and Write-Offs – Accounts and Loans Receivables

A matrix is used to calculate the amount of lifetime expected credit loss which factors practical and justifiable forward-looking information, including forecast economic changes expected to impact the Directorate's receivables (See Note 18: *Receivables*). This method is based on the possibility of default events occurring over the lifetime of the loans.

	2026 $'000
Other Expenses	
Contributions to Projects[1]	4,930
Net Loss on Disposal of Assets	1,560
Expected Credit Loss Expense – Accounts Receivables (also see Note 18)	774
Waiver	2
Other Expenses	799
Total Other Expenses	**8,065**

	No.	2026 $'000
Waivers		
Waivers[2]	1	2
Total Waivers	**1**	**2**

[1] Contributions to projects comprise payments associated with shared government programs, cost-sharing arrangements, national initiatives and collaborative projects with external parties

[2] One waiver was provided during the year in relation to administration fees related to a Development Application that was offset using Gaming Machine credits.

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
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NOTE 16 TRANSFERS TO GOVERNMENT

Description of Material Accounting Policies Relating to Transfers to Government

Transfers between the Directorate and Government occur when funds are paid in line with Government arrangements.

	2026 $'000
Transfers to Government	
Territory Banking Account[1]	25,242
Total Transfers to Government	**25,242**

[1]This relates to the insurance recovery for ACT NoWaste Fire settlement that was transferred to Government.

ASSET NOTES

NOTE 17 CASH AND CASH EQUIVALENTS

Description and Material Accounting Policies Relating to Cash and Cash Equivalents

Cash and Cash Equivalents

The Directorate holds a number of bank accounts with Westpac Banking Corporation as part of the whole-of-government banking arrangements. As part of these arrangements, the Directorate receives interest on one of these accounts.

Cash includes cash at bank, cash on hand and cash held as security deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Investments

The Directorate does not have any current or non-current investments.

(a) Cash Balances

	2026 $'000
Cash on Hand	4
Cash at Bank[1]	95,471
Cash Held as Security Deposits	12,708
Total Cash	**108,183**

[1]The cash balance reflects funds held across all CED entities' operating and capital bank accounts, including grant funding received that is yet to be disbursed. The balance fluctuates throughout the year in line with operational and capital funding requirements, cash flow timing, and program delivery activities.

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 17 CASH AND CASH EQUIVALENTS - CONTINUED

	2026 $'000
(b) Reconciliation of Cash at the End of the Reporting Period in the Statement of Cash Flows to the Equivalent Items in the Balance Sheet	
Total Cash in the Balance Sheet	108,183
(c) Reconciliation of Operating Result to Net Cash Inflows from Operating Activities	
Operating Result	(183,429)
Add/(Less) Non-Cash Items	
Depreciation and Amortisation	261,078
Expensing of Capital Works in Progress	7,822
Write-off/Loss on Disposal of Assets	3,225
Fair Value Movement on Biological Assets	(12,221)
Assets Transferred to Other ACT Government Entities	1,159
Assets Transferred from Other ACT Government Entities and Private Developers	(70,585)
Nominal Interest	1,905
Net (Loss)/Gains from Reassessment of Provisions	508
Net Present Value on Issue of Loans	(108)
Assets Located during Stocktake	(157)
Movement in Allowance for Credit Losses	2
Transfers as a Result of Administrative Arrangements	(1,042)
Add/(Less) Items Classified as Investing or Financing	
Net (Gain) on Disposal of Non-Current Assets	(1,187)
Capital Works in Progress Accrued	(7,576)
Derecognition of Government Borrowing	(383)
Cash Before Changes in Operating Assets and Liabilities	**(989)**
Changes in Operating Assets and Liabilities	
(Increase)/Decrease in Receivables	3,299
(Increase)/Decrease in Inventories	156
(Increase) in Other Assets	2,046
(Decrease)/Increase in Payables and Contract Liabilities	6,814
Increase in Employee Benefits	3,549
(Decrease) in Other Liabilities	(1,569)
Net Changes in Operating Assets and Liabilities	**14,295**
Net Cash Inflows from Operating Activities	**13,306**

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 17 CASH AND CASH EQUIVALENTS - CONTINUED

(d) Reconciliation of liabilities arising from financing activities

	Lease Liabilities $'000
2026	
Carrying Amount at the Beginning of the Reporting Period	26,027
Cash Flow Changes:	
Cash Paid	(13,620)
Non-Cash Changes:	
New Leases	12,739
Other Movements	1,797
Carrying Amount at the End of the Reporting Period	**26,943**

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 18 RECEIVABLES

Description and Material Accounting Policies Relating to Receivables and Contract Assets

Accounts Receivables

Accounts Receivable (including trade and other receivables) are measured at amortised cost, with any adjustments to the carrying amount being recorded in the Operating Statement. Receivables relating to the Sale of Goods and Services from Contracts with Customers are recognised when invoiced, as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment.

Expected Credit Losses – Accounts Receivables

The allowance for expected credit losses represents the amount of trade receivables and other trade receivables the Directorate estimates will not be repaid. The allowance for impairment losses is based on objective evidence and a review of overdue balances. The Directorate measures expected credit losses of a financial instrument in a way that reflects:

(a) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
(b) the time value of money; and
(c) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The amount of the expected credit loss is recognised in the Operating Statement (see Note 15: *Other Expenses*). Where the Directorate has no reasonable expectation of recovering an amount owed by a debtor and ceases action to collect the debt, as the cost to recover the debt is more than the debt is worth, the debt is written-off by directly reducing the receivables against the loss allowance.

The Directorate applied the simplified approach under AASB 9: *Financial Instruments*, meaning that the allowance for expected credit losses of receivables is measured at the lifetime expected credit losses at each reporting date. The Directorate has established a provision matrix based on its historical credit loss experience, adjusted for forward looking factors specific to the debtors and the economic environment.

Loss rates are calculated separately for groupings of customers with similar loss patterns. The Directorate has determined there are five material groups for measuring expected credit losses based on the sale of services and the sale of goods reflecting customer profiles for revenue streams. The calculations reflect historical observed default rates calculated using credit losses experienced on past sales transactions during the last 3 years preceding 30 June 2026. The historical default rates are then adjusted by reasonable and supportable forward-looking information for expected changes in macroeconomic indicators that affect the future recovery of those receivables.

Inter-agency loans and receivables between ACT Government agencies are expected to have low credit risks. Consequently, ACT Government policy is that directorates, territory authorities and territory-owned corporations consolidated into the whole-of-government financial statements will generally not recognise any loss allowance for receivables collectible from other ACT Government agencies consolidated into the whole-of-government financial statements.

The Directorate has made a significant estimate in the calculation of the expected credit loss allowance for receivables in the Financial Statements. This estimate is based on categorisations of receivables and the use of an expected credit loss provision matrix. These categorisations are considered by management to be appropriate and accurate.

Loans Receivable

Loans receivable are concessional loans made under the Zero Emissions Government Fund (previously called the Carbon Neutral Government Fund) to other ACT Government agencies. The loans are repayable in annual instalments. The terms of the loans vary between recipients. The loans are measured at amortised cost. As all the balance in this account relate to loans receivable from ACT Government agencies there is no expected credit loss against this balance.

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 18 RECEIVABLES – CONTINUED

	2026 $'000
Current Receivables	
Trade Receivables	11,711
Less: Expected Credit Loss Allowance	(630)
	11,081
Other Receivables	31
Accrued Revenue	3,462
Loans Receivable	571
Net Goods and Services Tax Receivable	2,848
Total Current Receivables	**17,993**
Non-Current Receivables	
Loans Receivable	3,198
Total Non-Current Receivables	**3,198**
Total Receivables	**21,191**

Expected Credit Loss Allowance
Ageing of Receivables

	Accounts Receivable		
	Estimated total gross carrying amount at default $'000	Expected credit loss allowance $'000	Expected credit loss rate %
30 June 2026			
Not overdue	7,855	11	0.15%
1-30 Days Past Due	671	7	1.03%
31-60 Days Past Due	107	1	0.69%
61-90 Days Past Due	116	5	4.06%
>91 Days Past Due	824	606	73.54%
Total	**9,573**	**630**	

The table above does not include any expected credit losses for receivables collectible from other ACT Government Entities and Net Goods and Services Tax Receivable.

	2026 $'000
Reconciliation of the Loss Allowance	
Accounts Receivable	
Transfers as part of Administrative Arrangements	(1,698)
Recognised During the Reporting Period	(304)
Reduction in Allowance from Write-offs During the Reporting Period	1,372
Expected Credit Loss Allowance at the End of the Reporting Period	**(630)**

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 19 LAND HELD FOR SALE – LOOSE-FILL ASBESTOS INSULATION ERADICATION SCHEME

Description and Material Accounting Policies relating to Land Held for Sale – Loose-Fill Asbestos Insulation Eradication Scheme

The Directorate holds land remediated under the Scheme. The land is classified as held for sale once remediation is complete. Land held for sale are assets that are available for immediate sale in their present condition, and their sale is highly probable. Assets held for sale are measured at the lower of the carrying amount and fair value less costs to sell. An impairment loss is recognised for any initial or subsequent write down of the asset to fair value less cost to sell.

The reported values relate to one block as at 30 June 2026. Whilst the Scheme closed on 30 June 2022, not all remediated land had been sold.

	2026 $'000
Land Held for Sale	
Scheme Land Held for Sale	688
Total Land Held for Sale	**688**
Reconciliation of Land Held for Sale	
Scheme Land Carrying Amount at the Beginning of the Reporting Period	688
Land Held for Sale Carrying Amount at the End of the Reporting Period	**688**

Transfers Between Categories

There were no transfers between Levels 2 and 3 during the current reporting period.

Valuation Techniques, Inputs and Processes

Level 2 fair values of land held for sale are derived using the market approach. These assets have been measured at fair value less costs to sell. Fair value has been determined by reference to market evidence of sales prices of comparable assets. Assets held for sale represent a non-recurring fair value measurement. Details of the Directorate's land held for sale at fair value and information about the fair value hierarchy as at 30 June is as follows:

2026	Classification According to Fair Value Hierarchy 2026		
	Level 2 $'000	Level 3 $'000	Total $'000
Land Held for Sale at Fair Value			
Scheme Land Held for Sale	688	-	688
	688	**-**	**688**

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
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NOTE 20 OTHER ASSETS

Description and Material Accounting Policies relating to Other Assets

Other assets represent prepayments for goods and services to be received in future periods.

	2026 $'000
Other Assets	
Prepayments	1,660
Total Other Assets[1]	**1,660**

[1]Prepayments primarily relate to payments made in advance for insurance, contract works and system licences.

NOTE 21 LAND – LOOSE-FILL ASBESTOS INSULATION ERADICATION SCHEME

Description and Material Accounting Policies relating to Land Held for Sale – Loose-Fill Asbestos Insulation Eradication Scheme

Scheme Land is land acquired by the Directorate for the purpose of remediation. The reported values relate to three blocks as at 30 June 2026.

	2026 $'000
Land	
Land at Cost	1,047
Total Land[1]	**1,047**

[1]The land is currently in the process of being remediated and is expected to be available for sale in the 2026-27 financial year.

Reconciliation of Land

Carrying Amount at the Beginning of the Reporting Period	**-**
Transfers as part of Administrative Restructure	378
Additions	669
Carrying Amount at the End of the Reporting Period	**1,047**

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 22 PROPERTY, PLANT AND EQUIPMENT

Description and Material Accounting Policies relating to Property, Plant and Equipment

The Directorate has the following eight classes of Property, Plant and Equipment.

- **Land** is defined as the ground, including the soil covering, land under roads and railway lines, and any associated surface waters. Land incorporates the vegetation on the land and earthworks associated with that vegetation. Land includes leasehold land held by the Agency and land under infrastructure but excludes land held as heritage and community assets (e.g. public nature reserves and National Parks) and land held as inventory.
- **Buildings** are structures that have a roof and walls which stand permanently in one place. These structures are separately identifiable from the land they are constructed upon and as such do not include this land. Buildings include visitor centres, cottages and land improvements that are adjoining a building. Land improvements are long-life items erected on land that increase the land's usefulness or value. Land improvements include parking lots, retaining walls, tennis courts, basketball courts, purpose built children's playground structures and landscaping adjoining a building as well as fences around a building. Right-of-use building assets are not included in the building asset class.
- **Leasehold Improvements** are capital expenditure items incurred in relation to leased assets. Leasehold improvements represent fit outs in leased buildings.
- **Plant and Equipment** are tangible assets like machinery, appliances, containers, implements or tools that are used by the Directorate to produce goods or assist in providing services to the community. Plant and equipment are assets that are used directly by the Directorate rather than directly by the general community. Plants and Equipment tend to be smaller and more mobile than other types of property, plant and equipment like buildings, roads and land. Plant and Equipment includes office and computer equipment, furniture and fittings, motor vehicles, water tanks and owned vehicles and mobile equipment and machinery. Right-of-use plant and equipment are not included in the plant and equipment asset class.
- **Right-of-Use Plant and Equipment** has the same definition as Plant and Equipment, with the exception that they are held under a lease. Right-of-Use Plant and Equipment held by the Directorate includes motor vehicles.
- **Infrastructure Assets** are physical asset that typically have a long useful life and consist of a complex interconnected network of individual components, which enhance the productive capacity of the economy and supports Government services. Buildings do not meet the definition of infrastructure assets unless they are an ancillary part of an infrastructure system. Infrastructure assets held by the Agency include roads (including earthworks), bridges, stormwater drains, footpaths, street lighting, signs, barriers, bollards, traffic lights, fences and car parks on community land (but excludes car parks attached to buildings). Land under infrastructure and right-of-use infrastructure assets are not included in the infrastructure asset class.
- **Heritage and Community Assets**. Heritage assets refer to assets that have unique cultural, historical, geographical, scientific, and/or environmental attributes and that the Government intends to preserve indefinitely because of those attributes. The intention of Government to preserve an asset indefinitely is demonstrated by its inclusion on the ACT Heritage Register. In addition, all Aboriginal places and objects are considered to be heritage assets regardless of whether or not they are on the ACT Heritage Register. Therefore, where an asset is included on the Register or it is an Aboriginal place and object, it will be disclosed as a heritage asset, unless the asset also has a functional use. Where the asset has a functional use, ACT Government agencies can choose to include that asset in the heritage and community asset class

City and Environment Directorate
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NOTE 22 PROPERTY, PLANT AND EQUIPMENT – CONTINUED

or in the asset's functional asset class. Heritage assets typically have restrictions on their use, are irreplaceable and have long and sometimes unlimited useful lives. Where Heritage Assets have a functional use, The Directorate has included them in the Heritage and Community Asset Class. Heritage assets held by the Agency include artwork, museum collections, historical buildings, and memorials (including the land under the memorials as all this land is also listed on the Heritage Register). Community assets are those assets that are provided primarily for general community use or service. Typically, these assets are used directly by the public for recreational purposes rather than used directly by the agency itself. Community assets held by the Agency include public parks and gardens, public sporting reserves, public nature reserves, playgrounds not adjoining a building, tables, seats, benches, barbecues, open space bins, shelters and outdoor public toilet blocks.

- **Capital Works in Progress (CWIP)** is property, plant and equipment that is in the process of being constructed and as such is not yet in use or available for use. That is, CWIP is property, plant and equipment that is not in a location and condition necessary for it to be capable of operating in a manner intended by management. CWIP held by the Directorate includes infrastructure assets, buildings and leasehold improvements under construction. Works in Progress relating to intangible assets are included in intangible assets.

Property, Plant and Equipment does not include assets held for sale or investment property.

Acquisition and Recognition of Property, Plant and Equipment

Property, Plant and Equipment is initially measured at cost, which comprises its purchase price, any directly attributable costs and the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. For Right-of-Use assets, cost comprises the initial amount of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

Capital Works in Progress are recognised at the time the construction activity occurs. These assets are measured at the cost of constructing the asset. The cost includes direct construction costs (e.g. direct materials and direct labour costs of construction workers), 'directly attributable' costs in bringing the asset to a location and condition ready for use, and the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. Directly attributable costs included in capital works in progress by the Directorate are the cost of site preparation, initial delivery and handling costs of materials, installation and assembly costs, functional testing and professional fees.

Where Property, Plant and Equipment assets are acquired at no or nominal cost, cost is the fair value as at the date of acquisition. However, Property, Plant and Equipment assets acquired at no cost or minimal cost as part of a restructuring of administrative arrangements are measured at the transferor's book value.

Where payment for property, plant and equipment is deferred beyond normal credit terms, the difference between its cash price equivalent and the total payment is measured as interest over the period of credit. The discount rate used to calculate the cash price equivalent is an asset specific rate.

Property, Plant and Equipment with a minimum value of >$5,000 are capitalised. Land and CWIP have a capitalisation threshold of >$1.

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
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NOTE 22 PROPERTY, PLANT AND EQUIPMENT - CONTINUED

Measurement of Property, Plant and Equipment After Initial Recognition

Property, Plant and Equipment is measured using the cost or revaluation model of valuation. The Directorate measures land, buildings, plant and equipment, infrastructure assets, leasehold improvements, and heritage and community assets at fair value.

After the commencement date, all Right-of-Use assets are measured at cost less any accumulated depreciation and accumulated impairment losses and adjusted for any re-measurement of the lease liability. Right-of-Use assets are classified in property, plant and equipment in their own separate asset class.

Major Cyclical Maintenance - Infrastructure Assets

The Directorate undertakes major cyclical maintenance on its infrastructure assets. Where the maintenance leads to an upgrade, increasing the service potential of the existing infrastructure asset, the cost is capitalised.

Transfer of Land to Territorial Inventory

Land and heritage and community land that has been identified to commence due diligence activities for transfer to the Suburban Land Agency for development are transferred to Unleased Territorial Land. Given the intention of the use of the land held by the Directorate has changed, the land is transferred from Property, Plant and Equipment to inventory at fair value.

Disclosures concerning the transfer of land to inventory are shown in Note 47: *Land - Territorial.*

Valuation of Non-Current Assets

AON, a qualified independent valuer, has performed the revaluations of the Directorate's property, plant and equipment assets. They hold a recognised and relevant professional qualification and have recent experience in the location and category of the property, plant and equipment involved. In addition, internal officers of the Directorate have undertaken revaluations which have been reviewed and quality assurance checked by Bell Chambers Barrett Pty Ltd.

The Directorate has made a significant estimate regarding the fair value of its property, plant and equipment. Land and buildings have been recorded at the market value of similar properties as determined by an independent valuer. In some circumstances, buildings that are purpose built may in fact realise more or less in the market. Infrastructure assets and some heritage and community assets have been recorded at fair value based on current replacement cost as determined by an independent valuer. The valuation uses significant judgements and estimates to determine fair value, including the appropriate indexation figure and quantum of assets held. The fair value of assets is subject to management assessment between formal valuations.

Revaluation

Land, buildings, leasehold improvements, heritage and community assets, plant and equipment and infrastructure assets are revalued every 3 years. Towards the end of each financial year the Directorate assesses whether there are any 'indicators' that the carrying amount of their Property, Plant and Equipment is materially different to fair value. Where these indicators exist, the asset will be revalued regardless of when the last valuation took place. Any accumulated depreciation relating to buildings, leasehold improvements and heritage and community assets at the date of revaluation is written back against the gross carrying amount so that the net carrying amount of the asset after revaluation equals its revaluation amount. Any accumulated depreciation relating to infrastructure assets is restated proportionally with the change in the gross carrying amount so that the net carrying amount of those assets after revaluation equals its revalued amount.

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 22 PROPERTY, PLANT AND EQUIPMENT - CONTINUED

The asset revaluations undertaken in 2025-26 were as follows.

Asset classes	**Revaluations undertaken by**
Leasehold improvements	AON
Plant and Equipment Assets - Water Tanks, Trailers and Vehicles and Other	AON
Heritage and Community Assets - Library Materials, Beach, Land – reserves, Water features, Artwork, Other, Building, Shelter, Building – toilet, Fitness circuits	AON
Land under Roads	Internal officers of the Directorate (based on ACT Revenue Office's land valuations)
Heritage and Community Assets – Barbecues, Seats, Tables, Drinking Fountains	Internal officers of the Directorate
Infrastructure Assets – Barriers and Bollards, Booms, Buoys, Fences, Gates, Signs, Rock and Retaining Walls, Traffic Calming measures	Internal officers of the Directorate

Impairment of Assets

At each reporting date, the Directorate assesses whether there is any indication of impairment for assets that are measured at cost subsequent to initial recognition and for non-specialised Property, Plant and Equipment measured at fair value subsequent to initial recognition. Property, Plant and Equipment is also reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Any resulting impairment losses relating to non-specialised land and buildings, are recognised as a decrease in the Asset Revaluation Surplus relating to these classes of assets. This is because these asset classes contain nonspecialised assets that are measured at fair value and have an Asset Revaluation Surplus attached to them. Where the impairment loss is greater than the balance in the Asset Revaluation Surplus for the relevant class of asset, the difference is expensed in the Operating Statement.

Non-financial assets that have previously been impaired are reviewed for possible reversal of impairment at each reporting date.

Depreciation and Useful Life

Depreciation is the systematic allocation of the carrying amount value of an asset less its residual value over its useful life. Depreciation commences when a depreciable asset is ready for its intended use.

Depreciation is applied to physical assets such as buildings, infrastructure assets, and plant and equipment.

Land, and some heritage and community assets have an unlimited useful life and are therefore not depreciated. Right-of-use buildings, right-of-use plant and equipment, and right-of-use infrastructure assets (where the Directorate hold these types of assets) as well as leasehold improvements are depreciated over the estimated useful life of each asset, or the unexpired period of the relevant lease, whichever is shorter.

All depreciation is calculated after first deducting any residual values, which remain for each asset.

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 22 PROPERTY, PLANT AND EQUIPMENT - CONTINUED

Depreciation for property, plant and equipment is determined as follows:

Class of Assets	Depreciation/Amortisation Method	Useful life (years)
Buildings	Straight Line	2-100
Leasehold Improvements	Straight Line	1-40
Plant and Equipment	Straight Line	1-126
Infrastructure Assets	Straight Line	2-150
Heritage and Community Assets	Straight Line	1-126

The Directorate has made a significant estimate in determining the useful lives of its Property, Plant and Equipment. The estimation of useful lives of Property, Plant and Equipment is based on the historical experience of similar assets and in some cases has been based on valuations provided by AON. The useful lives are assessed on an annual basis and adjustments are made when necessary.

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 22 PROPERTY, PLANT AND EQUIPMENT – CONTINUED

Reconciliation of Property, Plant and Equipment – 2025-26

	Land $'000	Buildings $'000	Leasehold Improvements $'000	Plant and Equipment $'000	ROU Plant and Equipment $'000	Infrastructure Assets $'000	Heritage and Community Assets $'000	Capital Works in Progress $'000	Total $'000
Carrying Amount at the Beginning of the Reporting Period	-	-	-	-	-	-	-	-	-
Transfers as part of Administrative Arrangements	2,484,674	104,900	7,513	23,118	25,900	9,648,568	1,351,303	122,563	13,768,539
Revised Carrying Amount at the Beginning of the Reporting Period	**2,484,674**	**104,900**	**7,513**	**23,118**	**25,900**	**9,648,568**	**1,351,303**	**122,563**	**13,768,539**
Additions		2,980	245	679	12,656	51,900	16,716	101,380	186,556
Completed and Transferred from Capital Works in Progress	-	-	-	92	-	120,666	-	(120,758)	-
Revaluation (Decrement)/Increment Recognised in Other Comprehensive Income	11,087	28	1,260	475	-	22,439	85,602	-	120,891
Assets Reclassification	-	24	16	991	-	(1,089)	58	-	-
Depreciation	-	(4,433)	(1,146)	(4,793)	(12,001)	(210,259)	(26,635)	-	(259,267)
Disposals	-	-	-	(32)	-	(1,232)	(1,496)	-	(2,760)
Carrying Amount at the End of the Reporting Period	**2,495,761**	**103,499**	**7,888**	**20,530**	**26,555**	**9,630,993**	**1,425,548**	**103,185**	**13,813,959**
Carrying Amount at the End of the Reporting Period, is represented by:									
Gross Book Value	2,495,761	108,349	9,145	25,510	67,873	10,024,490	1,452,629	103,185	14,286,942
Accumulated Depreciation	-	(4,850)	(1,257)	(4,980)	(41,318)	(393,497)	(27,081)	-	(472,983)
Carrying Amount at the End of the Reporting Period	**2,495,761**	**103,499**	**7,888**	**20,530**	**26,555**	**9,630,993**	**1,425,548**	**103,185**	**13,813,959**

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 22 PROPERTY, PLANT AND EQUIPMENT – CONTINUED

	2026 $'000
Reconciliation of Depreciation and Amortisation Amounts from the Notes to the Amount on the Face of the Operating Statement	
Depreciation Expense (from Note 22 *Property, Plant and Equipment* above)	259,267
Amortisation Expense (from Note 23: *Intangible Assets*)	1,811
Total Depreciation and Amortisation Expense on the Operating Statement	**261,078**

Fair Value Hierarchy

The Fair Value Hierarchy below reflects the significance of the inputs used in determining fair value. The Fair Value Hierarchy is made up of the following three levels.

- Level 1 – quoted prices (unadjusted) in active markets for identical assets that the Directorate can access at the measurement date;
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for assets, either directly or indirectly; and
- Level 3 – inputs that are unobservable for particular assets or liabilities.

Details of the Directorate's property, plant and equipment at fair value and information about the Fair Value Hierarchy at 30 June 2026 are as follows.

	Classification According to the Fair Value Hierarchy		
	Level 2	Level 3	Total
2026	**$'000**	**$'000**	**$'000**
Property, Plant and Equipment at Fair Value			
Land	90,412	2,405,349	2,495,761
Buildings	-	103,499	103,499
Leasehold Improvements	-	7,888	7,888
Plant and Equipment	170	20,360	20,530
Infrastructure Assets	-	9,630,993	9,630,993
Heritage and Community Assets	870,238	555,310	1,425,548
Total Fair Value	**960,820**	**12,723,399**	**13,684,219**

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 22 PROPERTY, PLANT AND EQUIPMENT – CONTINUED

Transfer Between Categories

There have been no transfers between levels 2 and 3 during the current reporting period.

Valuation Techniques, Inputs and Processes
Level 2 Valuation Techniques and Inputs

Valuation Technique: The valuation technique used to value land and buildings is the market approach that reflects recent transaction prices for similar properties and buildings (comparable in location and size).

Inputs: Prices and other relevant information generated by market transactions involving comparable land and buildings were considered. Regard was taken of the Crown Lease terms and tenure, the Australian Capital Territory Plan and the National Capital Plan, where applicable, as well as current zoning.

Level 3 Valuation Techniques and Significant Unobservable Inputs

Land

Valuation Technique: Land is valued using the market approach adjusted to reflect the specialised nature of the land being valued, where applicable.

Significant Unobservable Inputs: Selecting land with similar approximate utility. In determining the value of land with similar approximate utility, significant adjustment to market based data was required.

Other Property, Plant and Equipment

Valuation Technique: Buildings, Leasehold Improvements, Infrastructure Assets and Heritage and Community Assets were considered specialised assets by the Valuers and measured using the cost approach to fair value.

Significant Unobservable Inputs: Estimating the cost to a market participant to construct assets of comparable utility adjusted for obsolescence. For Buildings, historical cost per square metre of floor area was also used in measuring fair value. For Infrastructure Assets, the historical costs per cubic metre was also used in measuring fair value. In determining the value of Buildings, Leasehold Improvements, Infrastructure Assets and Heritage and Community assets regard was given to the age and condition of the assets, their estimated replacement cost and current use. This required the use of data internal to the Directorate.

There has been no change to the above valuation techniques during the year.

Transfers in and out of a fair value level are recognised on the date of the event or change in circumstances that caused the transfer.

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 22 PROPERTY, PLANT AND EQUIPMENT – CONTINUED

Fair Value Measurements using Significant Unobservable Inputs (Level 3)

	Land $'000	Buildings $'000	Leasehold Improvements $'000	Plant and Equipment $'000	Infrastructure Assets $'000	Heritage and Community Assets $'000	Total $'000
2025-2026							
Fair Value at the Beginning of the Reporting Period	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Transfers as part of Administrative Arrangements	2,394,262	104,900	7,513	22,948	9,648,568	481,065	12,659,256
Revised Fair Value at the Beginning of the Reporting Period	**2,394,262**	**104,900**	**7,513**	**22,948**	**9,648,568**	**481,065**	**12,659,256**
Additions	-	2,980	245	771	172,566	16,716	193,278
Revaluation Increment Recognised in Other Comprehensive Income	11,087	28	1,260	475	22,439	85,602	120,891
Depreciation	-	(4,433)	(1,146)	(4,793)	(210,259)	(26,635)	(247,266)
Assets Reclassification	-	24	16	991	(1,089)	58	-
Disposals	-	-	-	(32)	(1,232)	(1,496)	(2,760)
Fair Value at the End of the Reporting Period	**2,405,349**	**103,499**	**7,888**	**20,360**	**9,630,993**	**555,310**	**12,723,399**

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 23 INTANGIBLE ASSETS

Description and Material Accounting Policies Relating to Intangible Assets

The Directorate has internally generated software, externally purchased software and receives Large-Scale Generation Certificates (Certificates) from Large-Scale Renewable Energy Generators (LREGs) as part of the LREG's obligations under a deed of entitlement and Australian Carbon Credit Units (ACCUs). Policies related to the class of Intangible assets are detailed below.

(i) Software

The Directorate has internally generated software for internal use.

Recognition

Software is recognised as an asset when:

(a) it is probable that the expected future economic benefits attributable to the software will flow to the Directorate;

(b) the cost of the software can be measured reliably; and

(c) the acquisition cost is equal to or exceeds $50,000.

Internally generated software is recognised when it meets the general recognition criteria outlined above and where it also meets the specific recognition criteria relating to intangible assets arising from the development phase of an internal project.

Measurement

Intangible Assets are measured at cost, which comprises its purchase price and any directly attributable costs of preparing the asset for its intended use.

Amortisation

Capitalised software and other intangibles have a finite useful life. Amortisation commences when intangible assets are ready for their intended use. Software is amortised on a straight-line basis over its useful life, over a period not exceeding 10 years.

Impairment

The Directorate assesses, at each reporting date, whether there is any indication that an intangible asset may be impaired. Intangible assets are also reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. However, intangible assets that are not yet available for use are tested annually for impairment regardless of whether there is an indication of impairment, or more frequently if events or circumstances indicate they might be impaired.

Impairment losses for intangible assets are recognised in the Operating Statement (see Note 15: *Other Expenses*), as intangibles are carried at cost. The carrying amount of the intangible asset is reduced to its recoverable amount.

Amortisation for intangible assets is determined as follows:

Class of Intangible Asset	Amortisation Method	Useful Life (Years)
Internally Generated Software	Straight Line	2-10

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 23 INTANGIBLE ASSETS - CONTINUED

(ii) Large-Scale Generation Certificates

The Directorate receives Large-Scale Generation Certificates (Certificates) from Large-Scale Renewable Energy Generators (LREGs) as part of the LREG's obligations under a deed of entitlement. These Certificates are created through the generation of renewable energy (electricity) by an LREG. The rights to the Certificates are required to be surrendered to the Directorate when the LREG feeds the renewable energy generated into the ACT Electricity Network through ACT's licensed electricity distributor, Evoenergy.

An intangible asset (the Right to Receive Certificates) is recorded by the Directorate on the payment of feed-in tariff support to the LREG generators. When legal title to the Certificate transfers to the Directorate, the Right to Receive Certificates (intangible asset) is derecognised, and a Large-Scale Generation Certificate (intangible asset) is recognised. Both types of intangible assets are transferred at no cost to the Directorate.

Large-Scale Generation Certificates are initially measured at fair value.

After the initial recognition, Large-Scale Generation Certificates, both Right to Receive and Received, are revalued each year. The valuation is done internally and is based on the market rate at 30 June each year. The Directorate uses the spot price per Certificate as quoted by Green Energy Markets to revalue the intangible assets.

The Directorate has determined the Certificates have an indeterminate useful life and therefore no amortisation expense is recorded in the financial statements.

The Directorate has the option to sell the Large-Scale Generation Certificates in the market for a price, or they can be surrendered for no consideration by the Directorate to assist in meeting ACT Government's renewable energy targets.

The Directorate intends in the future to surrender the Large-Scale Generation Certificates to the Clean Energy Regulator to assist in meeting ACT Government's renewable energy targets. To achieve this the Directorate determines the number of certificates required to be surrendered to satisfy all or a predetermined portion of the ACT Government's renewable energy target. The surrender would be formalised through the Clean Energy Regulator's registry for no consideration and the certificates derecognised as an intangible asset in accordance with AASB 138 *Intangible Assets*.

On 30 June 2026 the Directorate surrendered 2,115,816 certificates.

Significant accounting judgements and estimates

The Directorate has recognised revenue in relation to the contribution of Certificates or the Right to Receive Certificates from LREGs as part of the *Electricity Feed-in (Large-Scale Renewable Energy Generation Act 2011 (ACT).* The contribution of these Intangible Assets has been valued based on one certificate for every megawatt hour of renewable energy generated and fed into the ACT Electricity Network. The price attributed to Certificates upon initial recognition is determined using the market price (spot rate) at the time the Directorate has a 'Right to Receive' the Certificates and is generally at the end of each quarter. The Right to Receive Large-Scale Generation Certificates is confirmed with Evoenergy reporting at the end of each quarter. The Directorate obtains legal title to the Large-Scale Generation Certificates when final certificate entitlements have been calculated and the transfer is accepted.

The Directorate has classified the Certificates as being Non-Current as the number of certificates that will be surrendered in 2026-27 to meet the ACT Government's renewable energy target is not yet known.

(iii) Carbon Credits

Australian Carbon Credit Units (ACCUs) issued by the Clean Energy Regulator as part of the Emissions Reduction Fund (ERF) project are recognised as an intangible asset when issued and the Directorate obtains control of the units. An Intangible asset is recorded by the Directorate when the ACCUs are transferred to the Directorate's nominated Australian National Registry of Emission Units (ANREU) account which is held by the Directorate. The intangible assets are transferred at no cost to the Directorate.

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 23 INTANGIBLE ASSETS - CONTINUED

Carbon Credits are initially recognised at fair value.

After the initial recognition, Carbon Credits are revalued each year. The valuation is done internally and is based on the market rate at 30 June each year. Revaluation increments and decrements are recorded in the Operating Statement. The Directorate uses the spot price per unit as quoted by national carbon markets to revalue the intangible assets.

The Directorate has determined the ACCUs have an indeterminate useful life and therefore no amortisation expense is recorded in the financial statements.

The Directorate has the option to sell the ACCUs in the national carbon markets for a price, or they can be surrendered for no consideration by the Directorate to assist in meeting ACT Government's renewable energy targets.

Impairment

The Directorate assesses, at each reporting date, whether there is any indication that an intangible asset may be impaired. Intangible assets are also reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Any resulting impairment losses are recognised as a decrease in the Asset Revaluation Surplus relating to these classes of assets. Where the impairment loss is greater than the balance in the Asset Revaluation Surplus for the relevant class of asset, the difference is expensed in the Operating Statement.

Significant accounting judgements and estimates

The Directorate has recognised revenue in relation to the ACCUs issued by the Clean Energy Regulator as part of the ERF project. The contribution of these Intangible Assets has been valued based on one carbon unit for each tonne of carbon dioxide equivalent stored. The price attributed to ACCUs upon initial recognition is determined using the market price (spot rate) at the time the Directorate receive the notice of entitlement. The Directorate obtains legal title to the ACCUs when they are transferred to the Directorate's nominated ANREU account.

	2026 $'000
Intangible Assets	
Computer Software	
Internally Generated Software	
Computer Software at Cost	25,564
Less: Accumulated Amortisation	(21,232)
Total Computer Software	**4,332**
Other Intangibles	
Large-Scale Generation Certificates	6,788
Right to Receive Large-Scale Generation Certificates at Fair Value	2,420
Carbon Credits	6,414
Total Other Intangibles	**15,622**
Software Works in Progress	13,578
Total Software Works in Progress	**13,578**
Total Intangible Assets	**33,532**

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 23 INTANGIBLE ASSETS - CONTINUED

Reconciliation of Intangible Assets 2025-26

	Right to Receive Large Scale Generation Certificates $'000	Large Scale Generation Certificates Received $'000	Internally Generated Software $'000	Carbon Credits $'000	Software Works in Progress $'000	Total $'000
Carrying Amount at the Beginning of the Reporting Period	**-**	**-**	**-**	**-**	**-**	**-**
Additions	17,206	-	537	646	5,647	**24,036**
Transfers as part of Administrative Restructures	14,159	2,747	5,900	5,355	8,384	**36,545**
Rights to Receive Large-Scale Generation Certificates Transferred to Received	(26,155)	26,155	-	-	-	**-**
Disposals	-	-	(694)	-	-	**(694)**
Amortisation	-	-	(1,811)	-	-	**(1,811)**
Large-Scale Generation Certificates Surrendered[1]	-	(18,749)	-	-	-	**(18,749)**
Revaluation (Decrement)/Increment	1,578	(7,733)	-	413	-	**(5,742)**
Software Works in Progress Completed and Transferred to another class of Intangible Assets	-	-	400	-	(400)	**-**
Works in Progress Recognised in a Prior Period but Expensed in the Current Period	-	-	-	-	(53)	**(53)**
Carrying Amount at the End of the Reporting Period	**6,788**	**2,420**	**4,332**	**6,414**	**13,578**	**33,532**

[1]2,115,816 Large-Scale Generation Certificates were surrendered on 30 June 2026 to meet the ACT Government's 2025-26 renewable energy targets.

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 24 BIOLOGICAL ASSETS

Description and Material Accounting Policies Relating to Biological Assets

The Directorate has recognised commercial softwood plantations as a biological asset in accordance with Australian Accounting Standard AASB 141 *Agriculture*.

Timber is classified as being either 'pre-commercial' or 'commercial'. Pre-commercial stands are less than 15 years old and are not yet suitable to be sold for commercial purposes. Commercial stands are 15 years old or greater in age and are managed to produce commercial output. 'Commercial-beyond normal' are areas within plantations that are beyond the planned rotation length in each forest.

The cost of restoring fire affected forestry land is recognised as an expense throughout the year. At the end of each reporting period expenditure is assessed and, where appropriate, the relevant expenditure is recognised as an asset.

The commercial plantation's fair value was determined using estimated stand volume (the volume of timber in a stand of trees) from growth plot measurements, and applying the proportional split of the product mix, and the values of the individual products. The valuations are undertaken annually. In 2025-26 the valuation was conducted by Forsci Pty Ltd, an experienced and suitably qualified external valuer who has recent experience in the valuation of pine plantations.

The pre-commercial plantation's fair value was estimated as aggregated establishment costs and management costs.

	2026 $'000
Biological Assets	
Standing Plantation Timber - at Independent Valuation	60,870
Total Biological Assets	**60,870**
Represented by:	
Plantations	
Pre-Commercial Plantation Transfers as part of Administrative Restructure	9,181
Net movement due to change in Age Classes and Plantation Area	3,087
Less: Transfer to Commercial Plantations[1]	(705)
Pre-Commercial Standing Timber Value at the End of the Reporting Period	**11,563**
Commercial Transfers as part of Administrative Restructure	39,468
Add: Transfer from Pre-Commercial Plantations[1]	704
Net Movement due to Tree Growth and Thinning	10,375
Less: Harvesting Removals	(2,148)
Add: Additional Age Classes	908
Commercial Standing Timber Value at the End of the Reporting Period	**49,307**
Standing Timber Value at the End of the Reporting Period	**60,870**

[1]82.6 hectares were moved from pre-commercial to commercial plantations. The plantations are valued using different methodologies for each category.

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

LIABILITY NOTES

NOTE 25 PAYABLES AND CONTRACT LIABILITIES

Description and Material Accounting Policies Relating to Payables and Contract Liabilities

Payables

Payables include Trade Payables, Accrued Expenses and Other Payables, which are primarily security deposits from developers which are payable on receipt of completion certificates in relation to specified works of construction projects.

Payables are initially measured at fair value based on the transaction cost and subsequent to initial recognition at amortised cost, with any adjustments to the carrying amount being recorded in the Operating Statement. All amounts are now normally settled within 14 days after the invoice date given the ACT Government accelerated the payments of invoices for local enterprises recognising the importance of cash flow to small and medium enterprises.

Contract Liabilities

Contract liabilities relate to consideration received in advance from customers prior to the Directorate meeting its performance obligations for providing goods and services under contract with Customers. Revenue is recognised when goods and services are provided to the customer or the acquisition or construction occurs, using a progressive percentage of costs incurred because this most closely reflects the progress to completion.

	2026 $'000
Current Payables and Contract Liabilities	
Current Payables	
Accrued Expenses	33,301
Trade Payables	11,939
Other Payables	10,825
Total Current Payables	**56,065**
Current Contract Liabilities	
Amounts received Related to Contracts with Customers for Goods and Services Where the Performance Obligations have not yet been Satisfied	16,325
Total Current Contract Liabilities	**16,325**
Total Current Payables and Contract Liabilities	**72,390**

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 25 PAYABLES AND CONTRACT LIABILITIES – CONTINUED

	2026 $'000
Payables are aged as follows:	
Not Overdue	67,680
Overdue for Less than 30 Days	751
Overdue for 30 to 60 Days	3,955
Overdue for More than 60 Days	4
Total Payables and Contract Liabilities	**72,390**
Reconciliation of Contract Liabilities	
Transfers as part of Administrative Restructure	6,101
Add: Payments received for performance obligations which have not yet been completed at the end of the Reporting Period	16,325
Less: Revenue recognised that was included in the Contract Liability Balance at the beginning of the Reporting Period	(6,101)
Contract Liabilities at the End of the Reporting Period	**16,325**

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 26 LEASE LIABILITIES

Description and Material Accounting Policies Relating to Lease Liabilities

Directorate as a Lessee

The Directorate has leases over a range of assets including buildings, motor vehicles and ICT equipment. There are a number of leasing arrangements that have resulted in the recognition of a lease liability while other leasing arrangements have not resulted in a liability being recognised. The below table provides information relating to the leases in place and a split between those that have been taken up as a lease liability and those that have not.

Leases that have resulted in the Directorate recognising a lease liability are as follows:

Terms and Conditions of Leases

Motor vehicles	The Directorate holds 499 motor vehicle leases. The terms vary from two years to ten years. These leases allow for extensions, but have no terms of renewal or purchase options, nor escalation clauses.

Leases that have not resulted in the Directorate recognising a lease liability are as follows:

Terms and Conditions of Leases

Building leases - office accommodation	The Directorate has a Memorandum of Understanding (MoU) for its office buildings with Infrastructure Canberra (iCBR). A lease asset and lease liability have been recognised by iCBR for these office buildings in accordance with ACT Government Office Accommodation Accounting Policy, and as such, the Directorate has not recognised a lease liability for these buildings.
IT and office equipment	The Directorate has numerous leases for equipment, including office equipment and IT equipment. Office and IT equipment leases have been assessed as low value assets therefore the Directorate does not take up a lease liability for these leases but instead accounts for the cost of these leases as an expense through the Operating Statement as incurred. Photocopier leases have variable lease payments which are dependent on the number of copies made, the usage-based payments are recognised as variable lease expenses in the Operating Statement as incurred. The fixed payment component is not subject to increases throughout the lease term.

Extension Options

Where a lease contains extension options, at commencement date and at each subsequent reporting date, the Directorate assesses whether it is reasonably certain that the extension options will be exercised. The Directorate has not recognised potential future payments as a liability as the Directorate has assessed that exercising these options is not reasonably certain.

At the lease commencement date, the Directorate recognises a right-of-use asset and associated lease liability for the lease term.

At inception of a contract, the Directorate assesses whether a lease exists, that is, does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 26 LEASE LIABILITIES – CONTINUED

Extension Options - Continued

This involves an assessment of whether:

- the contract involves the use of an identified asset – this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset;
- the Directorate has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and
- the Directorate has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease.

Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentive receivables;
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that termination option.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured when there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI).

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, a rate that reflects the lessee's incremental borrowing rate is used, which is in line with ACT Government Accounting Policy.

The Directorate has elected not to separate non-lease components from lease components for leases, except for specialised plant and equipment contracts which contain both a lease component and non-lease component. The non-lease component is material and relates to maintenance services for the specialised plant and equipment. The Directorate allocates the contractual payments to each component on the basis of their stand-alone prices.

Where the non-lease components have been separated, they are recognised as an expense as incurred in the Operating Statement.

Exemptions to Lease Accounting

The Directorate has elected to apply the exemptions to lease accounting for both short-term leases (i.e., leases with a term of less than or equal to 12 months) and leases of low-value assets (below $10,000).

The Directorate recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 26 LEASE LIABILITIES – CONTINUED

	2026 $'000
Current Lease Liabilities	
Lease Liabilities	11,013
Total Current Lease Liabilities	**11,013**
Non-Current Lease Liabilities	
Lease Liabilities	15,930
Total Non-Current Lease Liabilities	**15,930**
Total Lease Liabilities	**26,943**
Reconciliation of Lease Liabilities	
Transfers as part of Administrative Arrangements	26,027
Add: Additional Lease Liabilities taken up in the Current Reporting Period	12,739
Less: Payments to Reduce the Principal of the Liability	(13,620)
Add: Other Movement	1,797
Closing Balance of Lease Liabilities	**26,943**
Maturity Analysis for Lease Liabilities	
All amounts appearing in the following maturity analysis are shown on an undiscounted cash flow basis.	
1 year or Less	12,361
Over 1 Year to 5 Year	17,043
Less: Future Lease Charges	(2,461)
Total Lease Liabilities	**26,943**

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 27 EMPLOYEE BENEFITS

Description and Material Accounting Policies Relating to Employee Benefits

Accrued Wages and Salaries

Accrued wages and salaries are measured at the amount that remains unpaid to employees at the end of the reporting period.

Annual and Long Service Leave

Annual and long service leave, including applicable on-costs, that are not expected to be wholly settled before twelve months after the end of the reporting period when the employees render the related service, are measured at present value. The present value is determined based on the estimated future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to the future wage and salary levels, experience of employee departures and periods of service. At the end of each reporting period, the present value of future annual leave and long service leave payments is estimated using market yields on Commonwealth Government bonds with terms to maturity that match, as closely as possible, the estimated future cash flows.

Annual Leave liabilities have been estimated on the assumption they will be wholly settled within three years. This financial year the rate used to estimate the present value of future:

- annual leave payments is 98.0% (99.5% in the previous financial year); and
- payments for long service leave is 95.5% (100.1% in the previous financial year).

The Long Service Leave liability is estimated with reference to the minimum period of qualifying service. For employees with less than the required minimum period of qualifying service (ie 7 years for employees under 55 years and 1 year for employees 55 years or older), the probability that employees will reach the required minimum period has been taken into account in estimating the provision for Long Service Leave and applicable on-costs.

On-costs only become payable if the employee takes annual and long service leave while in-service. The probability that employees will take annual and long service leave while in-service has been taken into account in estimating the liability for on-costs.

Significant judgements have been applied in estimating the annual and long service leave liabilities, given that the Directorate uses the Whole-of-Government present value, probability and on-cost factors. These factors are issued by ACT Treasury and apply to all ACT Government Agencies. ACT Treasury organises an actuarial review to be undertaken every three by the Australian Government Actuary to estimate each of these factors. The latest assessment was undertaken in December 2024 and early 2025, with the next review expected to be undertaken by late 2027.

Annual leave and long service leave liabilities are classified as current liabilities in the Balance Sheet where there are no unconditional rights to defer the settlement of the liability for at least 12 months. Conditional long service leave liabilities are classified as non-current because the agency has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

Superannuation Liability

The employer superannuation benefits payable to the Directorate employees, who are members of the defined benefit CSS or PSS Schemes, are recognised in the financial statements of the Superannuation Provision Account.

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 27 EMPLOYEE BENEFITS – CONTINUED

	2026 $'000
Current Employee Benefits	
Long Service Leave	54,607
Annual Leave	36,457
Accrued Wages and Salaries	11,309
Flextime	6,025
Other Benefits	7,082
Total Current Employee Benefits	**115,480**
Non-Current Employee Benefits	
Long Service Leave	6,778
Total Non-Current Employee Benefits	**6,778**
Total Employee Benefits	**122,258**
Estimate of when Leave is Payable	
Estimated Amount Payable within 12 Months	
Long Service Leave	7,635
Annual Leave	24,737
Accrued Wages and Salaries	11,309
Flextime	6,025
Other Benefits	7,082
Total Employee Benefits Payable within 12 Months	**56,788**
Estimated Amount Payable later than 12 Months	
Long Service Leave	53,750
Annual Leave	11,720
Total Employee Benefits Payable later than 12 Months	**65,470**
Total Employee Benefits [1]	**122,258**

[1]At 30 June 2026, the Directorate employed 2,751.6 full-time equivalent (FTE) staff. The FTE numbers reported include staff employed by the Office of the Commissioner for Sustainability and the Environment.

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 28 OTHER PROVISIONS

Description and Material Accounting Policies Relating to Other Provisions

Provisions are recognised when the Directorate has a present legal or constructive obligation, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provision for Restoration of Waste Landfill Site – Mugga Lane

Restoration of contaminated site is the process of covering and/or remediating landfill sites once they have reached their maximum capacity and transforming them into usable land.

This provision has been measured based on the Directorate's best estimate of the cost to remediate the site. Given that this will take place over two-year period, the present value of this cost estimate has been used as the initial value of the provision.

Provision for Scheme Building Demolitions and Land Remediation

The provision for Loose-Fill Asbestos Insulation Eradication Scheme Purchase of Asbestos Affected Homes relates to properties purchased which are affected with asbestos from homeowners that have opted into the Scheme but have not yet settled.

The provision for Loose-Fill Asbestos Insulation Eradication Scheme Building Demolitions and Land Remediation relates to building demolitions and land remediation associated with asbestos affected homes where the Territory has purchased the asbestos affected homes but has not yet demolished the homes.

Provision for Large-Scale Generation Certificates

The provision for Large-Scale Generation Certificates (LGCs) was first created in 2020-21 in the former Environment, Planning and Sustainable Development Directorate (EPSDD), after the ACT Government publicly stated in the ACT Budget Statements (released in February 2021) that current policy is to surrender LGCs as part of its commitment to meet the ACT's 100 per cent renewable electricity target. Under AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* this creates a constructive obligation as the statement creates an expectation to the community that the Government will surrender LGCs to meet its renewable electricity target.

A provision is recognised for the certificates transferred to the Directorate during the year and an expense is also recognised. The provision is recognised at fair value each year based on the spot price for certificates in the market at 30 June.

	2026 **$'000**
Current Other Provisions	
Provision for Scheme Building Demolitions and Land Remediation	1,505
Provision for Restoration of Waste Landfill Site - Mugga Lane	950
Provisions for Large-Scale Generation Certificates	9,208
Provision for Make Good	1,822
Total Current Other Provisions	**13,485**
Non-Current Other Provisions	
Provision for Restoration of Waste Landfill Site - Mugga Lane	4,794
Provision for Make Good	597
Total Non-Current Other Provision	**5,391**
Total Other Provisions	**18,876**

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 28 OTHER PROVISIONS - CONTINUED

Reconciliation of the Other Provision - 2025-26

	Provision for:				
	Scheme Building Demolition and Land Remediation	**Large Scale Generation Certificates**	**Restoration of Contaminated Site**	**Make Good**	**Total**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**
Transfers as part of Administrative Restructure	1,090	16,905	6,055	2,078	26,128
Additional Provision Recognised	508	17,206	-	341	18,055
Reduction in Provision as a result of Surrender	-	(18,748)	-	-	(18,748)
Provision reversed during the Year	(93)	-	-	-	(93)
Fair Value Adjustment	-	(6,155)	-	-	(6,155)
Reduction in Provision from Site-Works Undertaken	-	-	(311)	-	(311)
Provision at the End of the Reporting Period	**1,505**	**9,208**	**5,744**	**2,419**	**18,876**

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

OTHER NOTES

NOTE 29 RESTRUCTURE OF ADMINISTRATIVE ARRANGEMENTS

Description and Material Accounting Policies Relating to Restructure of Administrative Arrangements

A restructure of administrative arrangements (AAs) is the reallocation or reorganisation of assets, liabilities, activities and responsibilities amongst the agencies that the government controls that occurs as a consequence of a rearrangement in the way in which activities and responsibilities are prescribed under legislation or other authority are allocated between the Government's controlled agencies.

AAs do not apply to the transfer of individual assets between agencies, but instead they involve the transfer of an integrated set of activities, mainly for the purpose of reducing overall costs or providing other economic benefits to the community. They involve a discrete function being transferred between agencies. As such, AAs often involve the transfer of appropriations, staff, bank accounts, assets and liabilities.

AA transfers are classified as contributions by/distribution to owners and (equity transfers). AA transfers are measured at the carrying value recorded by the transferor immediately prior to the transfer.

Restructure of Administrative Arrangements 2025-26

The ACT Government issued the Administrative *Arrangements 2025 (No. 1) Notifiable Instrument (NI2025-350)* on 25 June 2025, which took effect from 1 July 2025. Under this instrument, the City and Environment Directorate (CED) was established through the transfer of functions from Transport Canberra and City Services (TCCS), the Environment, Planning and Sustainable Development Directorate (EPSDD), and Access Canberra. In addition, responsibility for the ACT Heritage Library was transferred from CED to the Chief Minister, Treasury and Economic Development Directorate (CMTEDD). These transfers were measured based on balances as at 30 June 2025. The financial results associated with these functions have been recognised by CED from 1 July 2025.

The ACT Government issued the *Administrative Arrangements 2025 (No. 2) Notifiable Instrument (NI2025 686)*, which took effect from 1 January 2026 and transferred the Affordable Housing Policy Coordination (AHPC) Branch from CMTEDD to CED. The transfer of assets, liabilities and employees was measured based on balances as at 31 December 2025. A Section 16 instrument under the *Financial Management Act 1996* was approved by the Treasurer to facilitate the transfer of appropriation funding and cash. Revenue and expenses relating to the AHPC functions have been recognised by CED from 1 January 2026.

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 29 RESTRUCTURE OF ADMINISTRATIVE ARRANGEMENTS - CONTINUED

Income and Expenses

The following table shows the income and expenses associated with the AHPC Branch recognised by CED for the year ended 30 June 2026. It also shows the income and expenses relating to when the Branch belonged to CMTEDD. These income and expense figures were supplied by CMTEDD and as such have been relied upon by CED. Finally, the table shows the total income and expenses of the division for the whole financial year.

	Amounts Relating to Function when held by CMTEDD 1 July 2025 to 31 December 2025 $'000	Amounts Relating to Function when held by the Directorate 1 January 2026 to 30 June 2026 $'000	Total 2026 $'000
Income			
Controlled Recurrent Payments	3,427	12,831	16,258
Total Income	**3,427**	**12,831**	**16,258**
Expenses			
Employee Expenses	752	415	1,167
Grants and Purchased Services	2,684	12,416	15,100
Other Expenses			-
Total Expenses	**3,436**	**12,831**	**16,267**

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 29 RESTRUCTURE OF ADMINISTRATIVE ARRANGEMENTS - CONTINUED

Assets and Liabilities

Assets and liabilities transferred as part of a administrative arrangement are measured by the Directorate at the transferor's carrying amount. The amounts are agreed with the transferor prior to the transfer. The assets and liabilities transferred as part of a restructuring of administrative arrangement at the dates of transfer were as follows.

Transferred Amounts from CMTEDD, EPSDD and TCCS to CED	**CMTEDD Access Canberra, Better Regulation Taskforce and Affordable Housing Policy Coordination Branch**	**Environment, Planning and Sustainable Development Directorate**	**Transport Canberra and City Services**	**Total**
	$'000	**$'000**	**$'000**	**$'000**
Assets				
Cash and Cash Equivalents	10,626	63,109	18,536	92,271
Contract Assets	302	-	-	302
Receivables	274	7,447	13,505	21,226
Inventories	-	38	1,289	1,327
Other Assets (Current)	755	1,178	1,777	3,710
Land Held for Sale - Loose-Fill Asbestos Insulation Eradication Scheme	-	688	-	688
Receivables (Non-Current)	-	3,364	-	3,364
Land - Loose-Fill Asbestos Insulation Eradication Scheme (Non-Current)	-	378	-	378
Intangible Assets	4,745	16,905	6,510	28,160
Biological Assets	-	48,649	-	48,649
Capital Works in Progress	8,766	4,534	117,648	130,948
Property Plant and Equipment	5,193	256,971	13,383,812	13,645,976
Total Assets Transferred	**30,661**	**403,261**	**13,543,077**	**13,976,999**
Liabilities				
Payables	4,204	18,122	27,863	50,189
Contract Liabilities	9,174	-	6,101	15,275
Employee Benefits	28,553	37,137	48,561	114,251
Lease Liabilities	513	1,469	7,648	9,630
Other Current Liabilities	101	-	-	101
Other Provisions	233	17,345	950	18,528
Other Liabilities	-	1,579	251	1,830
Employee Benefits (Non-Current)	1,855	2,038	2,682	6,575
Lease Liabilities (Non-Current)	290	1,318	14,788	16,396
Other Provisions (Non-Current)	1,845	650	5,106	7,601
Other Liabilities (Non-Current)	-	-	132	132
Total Liabilities Transferred	**46,768**	**79,658**	**114,082**	**240,508**
Total Net Assets/(Liabilities) Transferred	**(16,107)**	**323,603**	**13,428,995**	**13,736,491**

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 29 RESTRUCTURE OF ADMINISTRATIVE ARRANGEMENTS - CONTINUED

Transferred Amounts from CED to CMTEDD	ACT Heritage Library 2026 $'000	Total $'000
Assets		
Property, Plant and Equipment	1,222	1,222
Total Assets Transferred	**1,222**	**1,222**
Liabilities		
Employee Benefits	221	221
Employee Benefits (Non-Current)	2	2
Total Liabilities Transferred	**223**	**223**
Total Net Assets Transferred	**999**	**999**

NOTE 30 FINANCIAL INSTRUMENTS

Material Accounting Policies Relating to Financial Instruments

Details of the material accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset and financial liability are disclosed in the note to which they relate. In addition to these policies, the following are also accounting policies relating to financial assets and liabilities.

Financial assets are subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

(a) the business model for managing the financial assets; and

(b) the contractual cash flow characteristics of the financial assets.

The following are the classification of the Directorate's financial assets under AASB 9 *Financial Instruments*:

Items	Business Model Held to collect principal and interest/sell	Solely for payment of Principal and Interest SPPI Test (basic lending characteristics)	Classification
Cash and Cash Equivalents	Held to collect	Yes	Amortised cost
Trade Receivables	Held to collect	Yes	Amortised cost
Accrued Revenue	Held to collect	Yes	Amortised cost
Loans Receivable	Held to collect	Yes	Amortised cost

Financial assets and liabilities are measured at amortised cost.

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 30 FINANCIAL INSTRUMENTS - CONTINUED

Interest Rate Risk

Interest rate risk is the risk that the fair value, or future cash flows, of a financial instrument will fluctuate because of changes in the market interest rates.

A significant proportion of the Directorate's financial assets consist of cash and cash equivalents. The Directorate has nine bank accounts held with Westpac Bank. The majority of bank accounts are non-interest bearing and are therefore not at risk of interest rate fluctuations. As receivables and payables are held in non-interest bearing arrangements the Directorate is not exposed to movements in interest rates in respect of these financial assets and liabilities.

As monies held in two bank accounts have floating interest arrangements with Westpac Banking Corporation, the Directorate is exposed to movements in the amount of interest it may earn on cash and cash equivalents. The Directorate does not actively manage the risk of fluctuating interest rates for this account because the interest is not material.

Sensitivity Analysis

A sensitivity analysis has not been undertaken for the interest rate risk of the Directorate as it has been determined that the possible impact on income and expenses or total equity from fluctuations in interest rates is immaterial.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Directorate's credit risk is limited to the amount of the financial assets it holds net of any provision for impairment.

Credit risk is managed by the Directorate for cash at bank by holding bank balances with the ACT Government's appointed transactional bank, the Westpac Banking Corporation (Westpac). S&P Global Ratings has assigned a AA- issuer credit rating to Westpac. A 'AA-' credit rating means the obligor has a 'very strong to strong capacity to meet its financial commitments'.

The Directorate receivables consist of amounts receivable from other ACT Government entities and entities external to the ACT Government, and these receivables are unsecured. Inter-agency receivables between ACT Government agencies are generally expected to have low credit risks and therefore the Directorate does not recognise any loss allowance for receivables collectible from other ACT Government agencies consolidated into the whole-of-government financial statements.

The Directorate manages the credit risk of receivables by regular review of the individual receivables and referral to debt collection agencies where appropriate.

Liquidity Risk

Liquidity risk is the risk that the Directorate will encounter difficulties in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Directorate's main financial obligations relate to the payment of grants and the purchase of supplies and services. Purchases of supplies and services are paid within 30 days of receiving the goods and services.

The main source of cash to pay the Directorate's obligations is appropriation from the ACT Government which is paid on a fortnightly basis during the year. The Directorate manages its liquidity risk through forecasting appropriation drawdown requirements to enable payment of anticipated obligations.

Price Risk

Price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices (other than arising from interest rate risk or currency risk), whether these changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments in the market.

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 30 FINANCIAL INSTRUMENTS - CONTINUED

As the Directorate's financial assets only consist of assets that are not subject to price risk, the Directorate is not considered to have any price risk. Accordingly, a sensitivity analysis has not been undertaken.

The following tables set out the Directorate's maturity analysis for financial liabilities as well as the exposure to interest rates, including the weighted average interest rates by maturity period as at 30 June 2026. All amounts appearing in the following maturity analysis are shown on an undiscounted cash flow basis.

The following tables sets out the Directorate's maturity analysis for Financial Liabilities as well as the exposure to interest rates, including the weighted average interest rates by maturity period as at 30 June 2026. All amounts appearing in the following maturity analysis are shown on an undiscounted cash flow basis.

	Note No.	Weighted Average Interest Rate	Fixed Interest Maturing In: 1 Year or Less $'000	Over 1 Year to 5 Years $'000	Over 5 Years $'000	Non-Interest Bearing $'000	Total $'000
At 30 June 2026							
Financial Liabilities							
Payables	25		-	-	-	22,764	22,764
Total Financial Liabilities			**-**	**-**	**-**	**22,764**	**22,764**

NOTE 31 COMMITMENTS

Description and Material Accounting Policies Relating to Commitments

Commitments are a firm intention, but not a present obligation, at the end of the reporting period to incur future expenditure. As such, commitments do not constitute a liability. Commitments usually arise from contracts, but can arise from other things like placing an order.

Commitments are measured at their nominal value and are inclusive of GST.

Capital Commitments

Capital Commitments contracted at reporting date but not recognised as liabilities are payable as follows:

	2026 $'000
Capital Commitments	
Payable:	
Within one year	41,513
Later than one year but not later than five years	1,822
Later than five years	-
Total Capital Commitments	**43,335**

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 31 COMMITMENTS - CONTINUED

Other Commitments

Other Commitments contracted at reporting date but not recognised as liabilities are payable as follows:

Other Commitments	
Payable:	
Within one year	174,127
Later than one year but not later than five years	348,886
Later than five years	139,498
Total Other Commitments	**662,511**

NOTE 32 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Material Accounting Policies Relating to Contingent Liabilities and Contingent Assets

Contingent liabilities and contingent assets are not recognised as liabilities or assets (respectively) due to the uncertainty regarding any possible amount or timing of any underlying claim or obligation. Instead, they are disclosed and, if measurable, the best estimate is disclosed.

Contamination of Land

The Directorate owns 263 sites as at 30 June 2026 that have been identified as contaminated land. Whilst there is no present obligation to remediate these sites, a contingent liability reflecting possible future costs has been estimated at $126.3 million. This estimate is based on costs incurred for restoring similar sites in previous years.

Legal Claims

The Directorate is subject to 276 legal claims at 30 June 2026. The Directorate is potentially liable for $1.4 million which represents a total amount of $21.9 million less the amount covered by the ACT Insurance Authority (ACTIA) of $20.5 million. Therefore, the amount the Directorate is potentially liable for represents the excess amount payable on these legal claims given the Directorate is covered by ACTIA. If the Directorate under the arrangements with ACTIA pays the full amount of a successful claim, the amount less the excess is reimbursed to the Directorate by ACTIA. The estimated actuarially assessed liability covered by ACTIA is included in ACTIA's financial statements.

Contingent Assets

The Directorate has a contingent asset as at 30 June 2026 related to the Directorate's insurance arrangement where reimbursement from ACTIA occurs (refer to Legal Claims above).

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 33 RELATED PARTY DISCLOSURES

Description and Material Accounting Policies Relating to Related Party Disclosures

A related party is a person that controls or has significant influence over the reporting entity or is a member of the Key Management Personnel (KMP) of the reporting entity or its parent entity, and includes their close family members and entities in which the KMP and/or their close family members individually or jointly have controlling interests.

KMP are those persons having authority and responsibility for planning, directing, and controlling the activities of the Directorate, directly or indirectly.

KMP of Directorate are the Portfolio Ministers, the Director-General and certain members of the Directorate's Executive Team.

The Head of Service and the ACT Executive comprising the Cabinet Ministers are KMP of the ACT Government and therefore related parties of the Directorate. This note does not include typical citizen transactions between the KMP and the Directorate that occur on terms and conditions no different to those applying to the general public.

(A) Controlling Entity

The Directorate is an ACT Government controlled entity.

(B) Key Management Personnel

B.1 Compensation of Key Management Personnel

Compensation of all Cabinet Ministers, including the Portfolio Minister, is disclosed in the note on related party disclosures included in the ACT Executive's financial statements for the year ended 30 June 2026.

Compensation of the Head of Service is included in the note on related party disclosures, included in the Chief Minister, Treasury and Economic Development Directorate's (CMTEDD) financial statements for the year ended 30 June 2026.

Compensation by the Directorate to KMP is set out below:

	2026 $'000
Short-term employee benefits	1,740
Post-employment benefits	224
Other long-term benefits	41
Total Compensation to KMP	**2,005**

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 33 RELATED PARTY DISCLOSURES – CONTINUED

B.2 Transactions with Key Management Personnel

No disclosure is required for typical citizen transactions between the KMP and the Directorate that occur on terms and conditions no different to those applying to the general public, where no discretion is applied and no influence is exerted by the related parties over the terms and conditions of these transactions.

B.3 Transactions with parties related to Key Management Personnel

There were no transactions with parties related to KMP, including transactions with KMP's close family members or other related entities that were material to the financial statements of the Directorate.

(C) Transactions with other ACT Government Controlled Entities

The Directorate has entered into transactions with other ACT Government Entities in 2025-26 consistent with day-to-day business operations provided under varying terms and conditions. The notes to the Financial Statements provide the details of transactions with other ACT Government Entities. Below is a summary of the Material transactions with Other ACT Government Entities.

Revenue

• Appropriation (Statement of Appropriation) – The Directorate's main ongoing source of funding is received from the ACT Government through the Territory Banking Account. This funding is in the form of Controlled Recurrent Payment appropriation and Capital Injection appropriation.

• Sales of Goods and Services from Contracts with Customers (Note 4) – The Directorate received $0.188 million in 2025-26 in revenue from other ACT Government Entities related to Sales by the Directorate.

• User Charges (Note 4) – The Directorate received $34.430 million in 2025-26 in revenue from other ACT Government Entities related to User Charges provided by the Directorate.

• Resources Received Free of Charge (Note 6) – The Directorate received $58.837 million in 2025-26 for;

• Legal services free of charge from the Government Solicitor's Office; and

• Finance, Human Resources, and other administrative services free of charge from the Chief Minister, Treasury and Economic Development Directorate.

• Information Technology services free of charge from Digital Canberra.

Expenses

• Supplies and Services (Note 10) – The Directorate recognised an expense of $0.533 million to the ACT Audit Office for audit services. The Directorate recognised an expense of $49.941 million in 2025-26 to other ACT Government Entities for Supplies and Services including Computing Expenses, Property Expenses and Insurance Premiums.

Assets

• Receivables (Note 18) – The Directorate holds $8.598 million in accounts receivable owed by other ACT Government entities at 30 June 2026.

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 34 BUDGETARY REPORTING

Significant Accounting Judgements and Estimates – Budgetary Reporting

Significant judgements have been applied in determining what variances are considered 'major variances'. Variances are considered major if both of the following criteria are met:

- The line item is a significant line item: where either the line-item actual amount accounts for more than 10% of the relevant associated actual category amount (Income, Expenses, Assets, Liabilities and Equity totals) or more than 10% of the sub-element (e.g. Current Liabilities and Receipts from Operating Activities totals) of the financial statements; and
- The variances (original budget to actual) are greater than plus (+) or minus (-) 10% and $15 million for the financial statement line item.

Original Budget refers to the amounts presented to the Legislative Assembly in the original budgeted financial statements in respect of the reporting period Budget Statements. These amounts have not been adjusted to reflect supplementary appropriation or appropriation instruments.

Note: # in the 'Variance %' column represents a variance that is greater than 999 percent or less than -999 per cent.

	Variance Explanation	Actual 2026 $'000	Original Budget 2026 $'000	Variance $'000	Variance %
Operating Statement Line Items					
Grants and Contributions	1	140,867	187,444	(46,577)	(25)
Other Income	2	47,890	6,392	41,498	649
Depreciation and Amortisation	3	261,078	227,512	33,566	15
Other Expenses	4	8,065	58,257	(50,192)	(86)
Transfers to Government	5	25,242	400	24,842	6,211

Variance Explanation

1. The lower than budgeted result is primarily due to decreased asset contributions from the Suburban Land Agency and other private developers. In addition, the budget estimate incorporated revenue from LGCs, which is presented separately in the Operating Statement. Notwithstanding this classification difference, revenue remained below budget as a result of lower LGC spot prices throughout the year.

2. The higher than budgeted result is due to insurance recoveries that were unbudgeted as well as the unbudgeted movement in Biological Assets.

3. The higher than budgeted result is due to the timing of the budget preparation which did not reflect the carrying value of the assets transferred as per of the Administrative Restructure.

4. Comparisons with budget are not directly comparable due to the separate presentation of certain expenses in the 2025-26 result. The variance however is primarily attributable to lower LGC spot prices during the year, which reduced the value of LGCs recognised over the reporting period, with equal amounts recognised in both revenue and expenses.

5. The higher than budgeted result is due to the insurance recoveries received and returned to the Territory Bank Account.

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 34 BUDGETARY REPORTING - CONTINUED

	Variance Explanation	Actual 2026 $'000	Original Budget 2026 $'000	Variance $'000	Variance %
Balance Sheet Line Items					
Intangible Assets	1	33,532	50,130	(16,598)	(33)
Other Provisions	1	13,485	40,674	(27,189)	(67)
Asset Revaluation Surplus	2	121,304	7,840,975	(7,719,671)	(98)

Variance Explanation

1. The lower than budgeted result is primarily due to the lower spot price for LGCs at 30 June for both Intangible Assets and Other Provisions.

2. The variance to budget reflects the inclusion of a carry-forward Asset Revaluation Reserve balance in the budget from the discontinued entities. As the City and Environment Directorate was established as a new Directorate, the opening balances were recognised as net assets transferred under Administrative Arrangements and were absorbed into equity. Consequently, no Asset Revaluation Reserve balance existed, resulting in an overstatement of the budgeted amount and a variance to the 2025-26 Asset Revaluation Reserve.

	Variance Explanation	Actual 2026 $'000	Original Budget 2026 $'000	Variance $'000	Variance %
Statement of Cash Flows					
Sales of Goods and Services from Contracts with Customers	1	85,581	64,107	21,474	33
Other	2	39,334	8,086	31,248	386
Transfer of Territory Receipts to the ACT Government	3	25,242	400	24,842	6,211
Purchase of Property, Plant and Equipment	4	3,188	18,324	(15,136)	(83)
Purchase of Capital Works	4	109,505	165,885	(56,380)	(34)
Capital Injections	5	172,528	265,528	(93,000)	(35)
Receipts of Transferred Cash Balances	6	92,271	70,422	21,849	31
Capital Payments to TCO	7	44,064	63,824	(19,760)	(31)

Variance Explanation

1.The increase is primarily due to the Public Housing Energy Efficiency upgrades delivered on behalf of Housing ACT as part of the Vulnerable Household Energy Support Scheme.

2. The higher than budgeted result is primarily due to the receipt of insurance recoveries related to the ACT NoWaste Fire settlement that were unbudgeted.

3. The higher than budgeted result is due to insurance recoveries related to the ACT NoWaste Fire settlement, received by the Directorate and paid to the Territory Bank Account that were unbudgeted.

4.The lower than budgeted result is a result of deferral and delays in capital expenditure by the Directorate.

5.This variance is due the deferral and delay of capital infrastructure projects.

6. The higher than budgeted result is reflects the cash balance of the three entities prior to the Administrative Restructure. The budget was prepared using the carry-forward balance from the discontinued entities for ease of preparation.

7.The lower than budgeted result is a result of delays of capital expenditure on Property, Plant and Equipment by Transport Canberra Operations (TCO).

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 35 DISAGGREGATED FINANCIAL INFORMATION BY OUTPUT

Description of Operating Statement Output Classes

During the 2025–26 financial year, the *Administrative Arrangements 2025 (No. 2) Notifiable Instrument (NI2025-686)* came into effect on 1 January 2026, transferring the Affordable Housing Policy Coordination (AHPC) Branch from CMTEDD to CED. As this transfer occurred after the publication of the 2025–26 Budget Papers, the associated functions and budget allocations were not reflected in CED's published budget. To maintain consistency between budget and actual reporting, these activities have been excluded from the output class reports that follow. Further information is provided in Note 29: *Restructure of Administrative Arrangements*.

Description of Operating Statement for Output Class 1 – Access Canberra

Through the Access Canberra output the Directorate contributes to the economic growth and vibrancy of the ACT community and helps protect its citizens and the community through compliance, licensing and regulation.

The Directorate will deliver this output by:

- undertaking regulatory activities to protect the community and contribute to the Territory's economic growth through risk-based compliance, licensing and regulation;
- providing services and collecting revenue on behalf of other directorates; and
- providing customer services to businesses, community groups and individuals through a 'no wrong door' approach.

Description of Operating Statement for Output Class 2 – City Services

Output Class 2: 'City Services' includes the following.

- **2.1: Roads and Infrastructure** – Management of the Territory's road and associated assets, stormwater infrastructure, community paths, bridges, traffic signals, streetlights and car parks. This output also includes the provision of asset information services, capital works and development approvals relating to the acceptance of new infrastructure assets.
- **2.2: Waste and Recycling** – Provision of domestic waste, recyclables and green waste collection services, operation of resource management and recycling centres, development of waste policy, and implementation and evaluation of waste management programs.
- **2.3: City Maintenance and Services** – Planning and management of the Territory's parks and urban open space system including associated community infrastructure, maintaining the look and feel of the city, and managing the urban forest and sportsgrounds facilities. The Directorate also provides advice, education and compliance services in relation to municipal ranger functions, domestic animal management, plant and animal licensing and significant tree protection. This output also includes Yarralumla Nursery.
- **2.4: Capital Linen Service –** Provision of a managed linen service to a range of customers including public and private hospitals, health and aged care providers, hotels, restaurants, major tourist attractions, educational institutions, and emergency services.

Description of Operating Statement for Output Class 3 – Climate Change and Energy

Output Class 3: 'Climate Change and Energy' develops policy, provides advice and supports delivery of a range of programs in relation to the ACT Climate Change Strategy 2019-25 and the Zero Emissions Vehicles Strategy 2022-30. It includes investments in renewable electricity, the Energy Efficiency Improvement Scheme, administration of ACT's Zero Emissions Government Scheme, the Integrated Energy Plan in support of community and urban adaptation and resilience.

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 35 DISAGGREGATED FINANCIAL INFORMATION BY OUTPUT – CONTINUED

Description of Operating Statement for Output Class 4 – Development and Implementation

Output Class 4: 'Development and Implementation' delivers studies, assessments and engagement to inform strategic planning for future land development opportunities. This work also includes undertaking strategic projects and government initiatives, as well as infrastructure capacity studies, related to future land development opportunities and facilitating the direct sale of land for community use.

Description of Operating Statement for Output Class 5 – Environment

Output Class 5: 'Environment' includes the following:

- **5.1: Environment** – Provides protection, conservation and enhancement of the ACT's natural environment through delivering functions under the Nature Conservation Act 2014, Environment Protection Act 1997, Animal Diseases Act 2005, Plant Diseases Act 2002, and Pest Plants and Animals Act 2005.
- **5.2: Parks and Conservation** – Includes management of the ACT's parks, reserves, unleased public land as per the Nature Conservation Act 2014 and management of the ACT's commercial pine plantations and offset areas. Also under this output is delivery of development, implementation and review of land management programs including for conservation, fire, pests and weeds, and nature-based recreation.
- **5.3: Heritage** – Delivers statutory functions under the Heritage Act 2004 to recognise, register and conserve Aboriginal places and objects or heritage places and objects that have natural or cultural heritage significance. It includes supporting the ACT Heritage Council to exercise its functions under the Heritage Act 2004, delivery of the ACT Heritage Grants Program and the annual Canberra and Region Heritage Festival.
- **5.4: Water –** Delivers statutory functions of the Water Resources Act 2007 to provide for the well managed and sustainable use of the ACT's water resources. It includes development and implementation of catchment plans, water quality monitoring programs, and assets to enhance the quality of ACT's potable and non-potable water. It includes implementation of the ACT's Water Strategy and contributions to national water reforms.

Description of Operating Statement for Output Class 6 – Loose-Fill Asbestos Coordination

Output Class 6: 'Loose-Fill Asbestos Coordination' delivers the Loose-Fill Asbestos Insulation Eradication Scheme and the Mr Fluffy legacy projects, providing support and advice to affected homeowners, the Canberra community, industry and Government.

Description of Operating Statement for Output Class 7 – Planning and Urban Policy

Output Class 7: 'Planning and Urban Policy' delivers strategic planning and policy work, including the planning strategy, district strategies, the Territory Plan and design guides. 'Planning and Urban Policy' also delivers building reforms that improve the ACT's building regulatory system, provides transparent and efficient regulation of the building and construction industry and develops policies for safe, healthy, climate resilient, liveable and quality buildings.

Description of Operating Statement for Output Class 8 – Statutory Planning

Output Class 8: 'Statutory Planning' facilitates and manages growth and change within the ACT through development assessment and leasehold management, with the overarching objective of promoting and facilitating economically productive, sustainable, attractive, safe and well-designed urban and rural environments in the ACT**.**

Description of Operating Statement for Output Class 9 – Transport Canberra

Output Class 9: 'Transport Canberra' includes the Government subsidy paid for bus and light rail operations, and the strategic oversight of the public transport network, public transport asset management and the Active Travel Office.

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 35 DISAGGREGATED FINANCIAL INFORMATION BY OUTPUT – CONTINUED

Output Class 1 – Access Canberra – Operating Statements of City and Environment Directorate

	Actual 2026 $'000	Budget 2026 $'000
Income		
Controlled Recurrent Payments	113,916	123,251
Sales of Goods and Services from Contracts with Customers	10,787	14,932
Licences, Fees and Fines	3,350	792
Grants and Contributions Income	7,745	22,024
Interest Revenue	1,771	160
Other Income	1,149	938
Total Income	**138,718**	**162,097**
Expenses		
Employee Expenses	119,744	98,347
Supplies and Services	25,551	60,825
Depreciation and Amortisation	5,320	3,337
Grants and Purchased Services	2,413	2,902
Borrowing Costs	165	45
Other Expenses	388	98
Total Expenses	**153,581**	**165,554**
Operating Result	**(14,863)**	**(3,457)**

Output Class 2 – City Services – Operating Statements of City and Environment Directorate

	Actual 2026 $'000	Budget 2026 $'000
Income		
Controlled Recurrent Payments	303,351	288,025
Sales of Goods and Services from Contracts with Customers	35,882	33,375
Licences, Fees and Fines	13,004	12,647
Grants and Contributions Income	126,223	97,237
Interest Revenue	238	-
Other Income	33,060	3,121
Total Income	**511,758**	**434,405**
Expenses		
Employee Expenses	121,151	125,050
Supplies and Services	242,856	214,843
Depreciation and Amortisation	246,038	216,360
Grants and Purchased Services	3,534	2,740
Cost of Goods Sold	-	1,227
Borrowing Costs	1,582	504
Other Expenses	37,087	2,853
Total Expenses	**652,248**	**563,577**
Operating Result	**(140,490)**	**(129,172)**

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 35 DISAGGREGATED FINANCIAL INFORMATION BY OUTPUT – CONTINUED

Output Class 3 – Climate Change and Energy– Operating Statements of City and Environment Directorate

	Actual 2026 $'000	Budget 2026 $'000
Income		
Controlled Recurrent Payments	30,008	31,984
Sales of Goods and Services from Contracts with Customers	13,582	3,971
Grants and Contributions Income	706	52,337
Interest Revenue	-	137
Large-Scale Generation Certificates	11,052	-
Other Income	-	293
Total Income	**55,348**	**88,722**
Expenses		
Employee Expenses	21,373	20,890
Supplies and Services	24,841	11,018
Depreciation and Amortisation	18	158
Grants and Purchased Services	2,970	9,474
Large-Scale Generation Certificates	11,052	-
Other Expenses	3,645	52,796
Total Expenses	**63,899**	**94,336**
Operating Result	**(8,551)**	**(5,614)**

Output Class 4 – Development and Implementation– Operating Statements of City and Environment Directorate

	Actual 2026 $'000	Budget 2026 $'000
Income		
Controlled Recurrent Payments	9,759	12,952
Sales of Goods and Services from Contracts with Customers	2,066	-
Grants and Contributions Income	278	1,007
Other Income	-	47
Total Income	**12,103**	**14,006**
Expenses		
Employee Expenses	7,965	8,240
Supplies and Services	5,089	5,031
Grants and Purchased Services	4	810
Other Expenses	-	10
Total Expenses	**13,058**	**14,091**
Operating Result	**(955)**	**(85)**

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 35 DISAGGREGATED FINANCIAL INFORMATION BY OUTPUT – CONTINUED

Output Class 5 – Environment– Operating Statements of City and Environment Directorate

	Actual 2026 $'000	Budget 2026 $'000
Income		
Controlled Recurrent Payments	92,897	99,372
Sales of Goods and Services from Contracts with Customers	13,635	8,885
Fees and Fines	-	34
Grants and Contributions Income	5,915	8,448
Interest Revenue	-	96
Other Income	13,341	1,658
Total Income	**125,788**	**118,493**
Expenses		
Employee Expenses	71,716	67,991
Supplies and Services	49,091	43,865
Depreciation and Amortisation	9,631	7,481
Grants and Purchased Services	3,789	2,418
Cost of Goods Sold	171	5,208
Borrowing Costs	-	33
Other Expenses	2,479	1,340
Total Expenses	**136,877**	**128,336**
Operating Result	**(11,089)**	**(9,843)**

Output Class 6 – Loose-Fill Asbestos Coordination– Operating Statements of City and Environment Directorate

	Actual 2026 $'000	Budget 2026 $'000
Income		
Controlled Recurrent Payments	552	424
Sales of Goods and Services from Contracts with Customers	36	-
Land Revenue	-	400
Total Income	**588**	**824**
Expenses		
Employee Expenses	507	523
Supplies and Services	91	691
Transfer Expenses	-	400
Other Expenses	1,141	-
Total Expenses	**1,739**	**1,614**
Operating Result	**(1,151)**	**(790)**

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 35 DISAGGREGATED FINANCIAL INFORMATION BY OUTPUT – CONTINUED

Output Class 7 – Planning and Urban Policy – Operating Statements of City and Environment Directorate

	Actual 2026 $'000	Budget 2026 $'000
Income		
Controlled Recurrent Payments	14,333	13,907
Sales of Goods and Services from Contracts with Customers	957	-
Grants and Contributions Income	-	1,162
Total Income	**15,290**	**15,069**
Expenses		
Employee Expenses	14,625	10,504
Supplies and Services	3,359	3,905
Other Expenses	181	637
Total Expenses	**18,165**	**15,046**
Operating Result	**(2,875)**	**23**

Output Class 8 – Statutory Planning – Operating Statements of City and Environment Directorate

	Actual 2026 $'000	Budget 2026 $'000
Income		
Controlled Recurrent Payments	23,137	22,333
Sales of Goods and Services from Contracts with Customers	2,266	3,346
Grants and Contributions Income	-	3,289
Interest Revenue	1,768	730
Total Income	**27,171**	**29,698**
Expenses		
Employee Expenses	24,860	17,779
Supplies and Services	4,396	10,255
Depreciation and Amortisation	65	117
Borrowing Costs	4	-
Other Expenses	3	523
Total Expenses	**29,328**	**28,674**
Operating Result	**(2,157)**	**1,024**

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 35 DISAGGREGATED FINANCIAL INFORMATION BY OUTPUT – CONTINUED

Output Class 9 – Transport Canberra– Operating Statements of City and Environment Directorate

	Actual 2026 $'000	Budget 2026 $'000
Income		
Controlled Recurrent Payments	247,932	249,399
Sales of Goods and Services from Contracts with Customers	200	154
Grants and Contributions Income	-	1,940
Other Income	350	(65)
Total Income	**248,482**	**251,428**
Expenses		
Employee Expenses	1,351	12,333
Supplies and Services	1,443	7,630
Depreciation and Amortisation	-	59
Grants and Purchased Services	246,825	232,124
Other Expenses	149	-
Total Expenses	**249,768**	**252,146**
Operating Result	**(1,286)**	**(718)**

City and Environment Directorate
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 35 DISAGGREGATED FINANCIAL INFORMATION BY OUTPUT – CONTINUED

Disaggregated Disclosure of Assets and Liabilities

At 30 June 2026

	Output Class 1 $'000	Output Class 2 $'000	Output Class 3 $'000	Output Class 4 $'000	Output Class 5 $'000	Output Class 6 $'000	Output Class 7 $'000	Output Class 8 $'000	Output Class 9 $'000	Total $'000
Current Assets										
Cash	14,944	42,939	25,498	285	13,307	9,496	418	673	626	108,186
Receivables	2,097	12,731	937	96	1,728	6	141	227	28	17,991
Inventories	-	1,129	-	-	42	-	-	-	-	1,171
Land Held for Sale										
Loose-Fill Asbestos Eradication Scheme	-	-	-	-	-	688	-	-	-	688
Other Assets	420	155	61	15	399	-	21	585	4	1,660
Total Current Assets	**17,461**	**56,954**	**26,496**	**396**	**15,476**	**10,190**	**580**	**1,485**	**658**	**129,696**
Non-Current Assets										
Receivables	-	-	3,198	-	-	-	-	-	-	3,198
Land - Loose-Fill Asbestos Eradication		-	-	-	-	1,047	-	-	-	1,047
Property, Plant and Equipment	11,839	13,456,882	5,134	477	337,507	(1)	1,943	168	6	13,813,955
Intangible Assets	17,939	6,365	9,228	-	-	-	-	-	-	33,532
Biological Assets	-	-	-	-	60,870	-	-	-	-	60,870
Total Non-Current Assets	**29,778**	**13,463,247**	**17,560**	**477**	**398,377**	**1,046**	**1,943**	**168**	**6**	**13,912,602**
Total Assets	**47,239**	**13,520,201**	**44,056**	**873**	**413,853**	**11,236**	**2,523**	**1,653**	**664**	**14,042,298**
Current Liabilities										
Payables	5,706	41,031	2,820	459	4,471	19	830	645	84	56,065
Contract Liabilities	9,487	4,289	7	2	2,234	-	303	4	1	16,327
Lease Liabilities	262	9,527	6	1	1,193	-	2	22	-	11,013
Employee Benefits	32,590	45,758	5,302	1,136	18,528	164	4,707	5,266	509	113,960
Other Provisions	1,775	977	9,228	-	-	1,505	-	-	-	13,485
Total Current Liabilities	**49,820**	**101,582**	**17,363**	**1,598**	**26,426**	**1,688**	**5,842**	**5,937**	**594**	**210,850**
Non-Current Liabilities										
Lease Liabilities	310	14,330	7	2	1,250	-	3	28	-	15,930
Employee Benefits	1,890	2,604	511	58	1,118	1	220	314	37	6,753
Other Provisions	585	4,806	-	-	-	-	-	-	-	5,391
Total Non-Current Liabilities	**2,785**	**21,740**	**518**	**60**	**2,368**	**1**	**223**	**342**	**37**	**28,074**
Total Liabilities	**52,605**	**123,322**	**17,881**	**1,658**	**28,794**	**1,689**	**6,065**	**6,279**	**631**	**238,924**
Net (Liabilities)/Assets	**(5,366)**	**13,396,879**	**26,175**	**(785)**	**385,059**	**9,547**	**(3,542)**	**(4,626)**	**33**	**13,803,374**

City and Environment Directorate

Territorial Financial Statements

For the Year Ended 30 June 2026

City and Environment Directorate
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Statement of Assets and Liabilities on Behalf of the Territory
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City and Environment Directorate
Statement of Income and Expenses on Behalf of the Territory
For the Year Ended 30 June 2026

	Note No.	Actual 2026 $'000	Original Budget 2026 $'000
Income			
Payments for Expenses on Behalf of the Territory	#	1,699	2,795
Licences, Fees and Fines	37	459,867	435,695
Sale of Goods and Services from Contracts with Customers	38	15,274	34,760
Contributions Income		915	52
Land Revenue	39	5,745	9,590
Other Income	40	1,797	8,185
Total Income		**485,297**	**491,077**
Expenses			
Employee Expenses	41	1,163	1,199
Supplies and Services		1,028	1,651
Cost of Land Transfer		120	4,183
Other Expenses	42	24,935	6,421
Transfer Payments to Government	43	465,269	482,654
Total Expenses		**492,515**	**496,108**
Operating Result		**(7,218)**	**(5,031)**

The above Statement of Income and Expenses on Behalf of the Territory is to be read in conjunction with the accompanying notes.

Refer to the Territorial Statement of Appropriation.

City and Environment Directorate
Statement of Assets and Liabilities on Behalf of the Territory
As at 30 June 2026

	Note No.	Actual 2026 $'000	Original Budget 2026 $'000
Current Assets			
Cash and Cash Equivalents	44	28,926	24,374
Receivables	45	65,814	53,884
Inventories	46	188	5,337
Total Current Assets		**94,928**	**83,595**
Non-Current Assets			
Receivables	45	6,421	14,653
Investments		-	814
Inventories	46	17,045	6,578
Land	47	68,945	68,972
Total Non-Current Assets		**92,411**	**91,017**
Total Assets		**187,339**	**174,612**
Current Liabilities			
Payables	48	88,449	74,752
Employee Benefits		262	291
Other Liabilities		44	358
Revenue Received in Advance		1,754	1,210
Total Current Liabilities		**90,509**	**76,611**
Non-Current Liabilities			
Payables	48	6,421	14,653
Employee Benefits		8	36
Other Provisions	49	29,965	28,130
Total Non-Current Liabilities		**36,394**	**42,819**
Total Liabilities		**126,903**	**119,430**
Net Assets		**60,436**	**55,182**
Equity			
Accumulated Funds		60,436	6,526
Asset Revaluation Surplus		-	48,656
Total Equity		**60,436**	**55,182**

The above Statement of Assets and Liabilities on Behalf of the Territory is to be read in conjunction with the accompanying notes.

City and Environment Directorate
Statement of Changes in Equity on Behalf of the Territory
For the Year Ended 30 June 2026

	Note No.	Accumulated Funds Actual 2026 $'000	Total Equity Actual 2026 $'000	Total Equity Original Budget 2026 $'000
Balance at 1 July 2025		**-**	**-**	**(13,920)**
Comprehensive Income				
Operating Result		(7,218)	(7,218)	(5,031)
Total Comprehensive Result		**(7,218)**	**(7,218)**	**(5,031)**
Transactions Involving Owners Affecting				
Capital Injections		46	46	46
Capital Distributions		-	-	(4,183)
Net Assets Transferred from Other Agencies as part of Administrative Restructure	51	67,608	67,608	78,270
Total Transactions Involving Owners Affecting Accumulated Funds		**67,654**	**67,654**	**74,133**
Balance at 30 June 2026		**60,436**	**60,436**	**55,182**

The above Statement of Changes in Equity on Behalf of the Territory should be read in conjunction with the accompanying notes.

City and Environment Directorate
Statement of Cash Flows on Behalf of the Territory
For the Year Ended 30 June 2026

	Note No.	Actual 2026 $'000	Original Budget 2026 $'000
Cash Flows from Operating Activities			
Receipts			
Cash from Government for Expenses on Behalf of the Territory		1,699	2,795
Licences, Fees and Fines		428,228	438,147
Sale of Goods and Services from Contracts with Customers		15,272	34,825
Goods and Services Tax Input Tax Credits from ATO		171	91
Goods and Services Tax Collected from Customers		2,487	2,104
Land Sales Revenue		3,284	4,943
Land Rental Revenue		5,075	5,407
Interest Received		327	320
Other Receipts		1,108	7,903
Total Receipts from Operating Activities		**457,651**	**496,535**
Payments			
Employee Payments		1,171	1,196
Supplies and Services		965	1,799
Transfer of Territory Receipts to the ACT Government		450,008	485,209
Goods and Services Tax Remitted to ATO		2,524	1,937
Goods and Services Tax Paid to Suppliers		179	91
Other		3,550	4,865
Total Payments from Operating Activities		**458,397**	**495,097**
Net Cash (Outflows)/Inflows from Operating Activities	44	**(746)**	**1,438**
Cash Flows from Investing Activities			
Receipts			
Investment Revenue		1,602	-
Total Receipts from Investing Activities		**1,602**	**-**
Payments			
Commission Payment		32	452
Total Payments from Investing Activities		**32**	**452**
Net Cash Inflows/(Outflows) from Investing Activities		**1,570**	**(452)**
Cash Flows from Financing Activities			
Receipts			
Proceeds from Repayment of Loans Receivable		144	-
Capital Injections		46	46
Receipts of Transferred Cash Balances		27,520	14,078
Total Receipts from Financing Activities		**27,710**	**14,124**
Payments			
Distributions to Government		-	4,943
Total Payments from Financing Activities		**-**	**4,943**
Net Cash Inflows from Financing Activities		**27,710**	**9,181**
Net Increase in Cash and Cash Equivalents		**28,534**	**10,167**
Cash and Cash Equivalents at the Beginning of the Reporting Period		-	14,207
Cash and Cash Equivalents at the End of the Reporting Period	44	**28,534**	**24,374**

The above Statement of Cash Flows on Behalf of the Territory is to be read in conjunction with the accompanying notes.

City and Environment Directorate
Territorial Statement of Appropriation
For the Year Ended 30 June 2026

Description and Material Accounting Policies relating to Payment for Expenses on Behalf of the Territory

The Directorate receives appropriation to fund expenses related to the Office of the Commissioner for Sustainability and the Environment.

Payment for Expenses on behalf of the Territory is recognised when the Directorate receives the cash.

	Original Budget 2026 $'000	Total Appropriated 2026 $'000	Appropriation Drawn 2026 $'000
Territorial			
Expenses on Behalf of the Territory	2,795	2,795	1,699
Capital Injections	46	46	46
Total Territorial Appropriation	**2,841**	**2,841**	**1,745**

The above Territorial Statement of Appropriation should be read in conjunction with the accompanying notes.

Column Heading Explanations

The *Original Budget* column shows the amounts that appear in the Statement of Cash Flow in the Budget Papers. This amount also appears in the Statement of Cash Flow.

The *Total Appropriated* column is inclusive of all appropriation variations occurring after the Original Budget.

The *Appropriation Drawn* is the total amount of appropriation received by the Directorate during the year. These amounts also appear in the Cash Flow Statement on Behalf of the Territory.

Variances between 'Original Budget', 'Total Appropriated' and 'Appropriation Drawn'

Reconciliation of Appropriation for 2025-26	Expenses on Behalf of the Territory $'000	Capital Injections on Behalf of the Territory $'000
Original Appropriation	2,795	46
Total Appropriated	**2,795**	**46**
Budget Rollovers	(1,096)	-
Appropriation Drawn	**1,699**	**46**

City and Environment Directorate
Notes to and Forming Part of the Financial Statements - Territorial
For the Year Ended 30 June 2026

NOTE 36 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS – TERRITORIAL

The basis of preparation of the Directorate are contained in Note 2 Basis of Preparation of the Financial Statements and apply to both the Controlled and Territorial financial statements.

INCOME NOTES

NOTE 37 LICENCES, FEES AND FINES – TERRITORIAL

Description and Material Accounting Policies relating to Licences, Fees and Fines – Territorial

The Directorate collects licences, fees and fines on behalf of the Territory.

Licences

All people seeking to operate a vehicle within the ACT need to hold a current and relevant driver licence for their age, type of vehicle, conditions and/or restrictions of use. Licences are issued upon receipt of payment. Licence revenue is recognised when the licence is issued.

Fees

Waste acceptance fees relate to fees associated with the acceptance of commercial and industrial waste at landfill sites. The performance obligation is the provision of landfill site access to a customer. Revenue is recognised at the time of disposal of waste at the landfill sites.

Lease Variation Charges are payable when a variation to a Crown lease occurs which results in an increase in the value of the lease. Lease Variation Charges are recorded as revenue when the applicant pays the fee and triggers the start of the development application process.

Fees for regulatory services relate to the directorate collecting all fees under the *Planning Act 2023 (ACT)*. In addition, the Directorate charges fees for regulatory services, such as motor vehicle registration, land title (searches, registrations and lodgements) and notice of intention fees.

Water abstraction charges are fees payable for the right to extract water from natural water resources, and are recognised as an expense as the water is abstracted

Fees are generally either recognised as revenue at the time of receipt or when the fee is incurred. Water abstraction charges are recognised at the time as water is abstracted. Motor Vehicle Registrations, Notice of Intention Fees, and Land Title Fees are recognised at the time of receipt of the payment.

Fines

Fines mainly relate to traffic and parking infringements, which include fixed and mobile speed and red-light camera fines, mobile device detection camera fines, parking fines and traffic fines. Fines are recognised as revenue on the issue of the relevant infringement notice. Where the fine attracts a penalty for late payment, the penalty amount is recognised as revenue on issue of the late payment notice.

City and Environment Directorate
Notes to and Forming Part of the Financial Statements - Territorial
For the Year Ended 30 June 2026

NOTE 37 LICENCES, FEES AND FINES – TERRITORIAL- CONTINUED

	2026 $'000
Licences	
Driver Licences	16,532
Other Licences	5,551
Total Licences	**22,083**
Fees	
Waste Acceptance Charge	12,969
Land Title Fees	23,191
Lease Variation Charges	26,236
Water Abstraction Charge	41,750
Motor Vehicle Registrations	200,180
Fees for Regulatory Services	70,165
Total Fees	**374,491**
Fines	
Parking Fines	10,364
Traffic and Other Fines	52,929
Total Fines	**63,293**
Total Licences, Fees and Fines	**459,867**

NOTE 38 SALES OF SERVICES FROM CONTRACTS WITH CUSTOMERS – TERRITORIAL

Description and Material Accounting Policies relating to the Sale of Goods and Services - Territorial

The Energy Efficiency Improvement Scheme

The Energy Efficiency Improvement Scheme involves the collection of fees under the *Energy Efficiency (Cost of Living) Improvement Act 2012*. The fees are paid by energy retailers to achieve their performance obligations in meeting their energy savings requirements as per section 14(3) of the Act and the compliance plan lodged with the Administrator of the Act. The revenue is recognised as per their compliance plan in June each year and a receivable is raised for payment.

	2026 $'000
Sale of Services from Contract with Customers	
Regulatory Services	10,214
Energy Efficiency Improvement Scheme	5,060
Total Sale of Services from Contract with Customers	**15,274**

City and Environment Directorate
Notes to and Forming Part of the Financial Statements - Territorial
For the Year Ended 30 June 2026

NOTE 39 LAND REVENUE – TERRITORIAL

Description and Material Accounting Policies Relating to Land Revenue - Territorial

Land revenue consists of land sales revenue and land rental revenue related to leased Territorial land. The Directorate currently holds 159 agreements for land rental.

Revenue from land sales is recognised on transfer and land rental revenue is recognised when it is due. This is typically on a quarterly basis.

	2026 $'000
Land Revenue	
Land Sales	120
Land Rent	5,625
Total Land Revenue	**5,745**

NOTE 40 OTHER INCOME – TERRITORIAL

Description and Material Accounting Policies relating to Other Revenue

Revenue from Investments

Investment revenue comprises interest, dividends and other returns earned on financial investments and is recognised in the period in which it is earned.

Other Revenue

Other revenue arises from the core activities of the Directorate.

	2026 $'000
Other Income	
Investment	1,575
Other Revenue	222
Total Other Income	**1,797**

City and Environment Directorate
Notes to and Forming Part of the Financial Statements - Territorial
For the Year Ended 30 June 2026

EXPENSES NOTES

NOTE 41 EMPLOYEE EXPENSES - TERRITORIAL

Description and Material Accounting Policies Relating to Employee Expenses – Territorial

Employee expenses comprise all costs incurred in relation to employing staff including wages and salaries, fringe benefits tax, leave entitlements, annual leave loading, termination payments, workers' compensation insurance premiums, accrued flextime, non-monetary benefits, and other employee benefits and on-cost expenses. Wages and salaries are recognised in the reporting period when the employee renders services to the Directorate. They are measured based on the amount paid to employees during the year as well as any wages and salaries due to employees that remain unpaid at the end of the financial year.

	2026
	$'000
Employee Expenses	
Wages and Salaries	871
Annual Leave Expense	86
Long Service Leave Expense	21
Workers' Compensation Insurance Premium	37
Superannuation Contributions to CSC (for the PSSAP)	55
Productivity Benefit	4
Superannuation to External Providers	90
Flextime Expense	(1)
Total Employee Expenses	**1,163**

NOTE 42 OTHER EXPENSES – TERRITORIAL

Description and Material Accounting Policies Relating to Other Expenses - Territorial

Waivers

A waiver is the relinquishment of a legal claim to a debt. The Treasurer may, in writing, waive the right to payment of an amount payable to the Territory. The Treasurer has waived amounts owing to the Directorate from third parties predominantly in relation to Lease Variation Charges, Lease Concessions and Development Applications. Waivers are recognised as an expense during the year in which the right to payment was waived.

Impairment Losses – Receivables

A matrix is used to calculate the amount of lifetime expected credit loss which factors practical and justifiable forward-looking information, including forecast economic changes expected to impact the Directorate's receivables (See Note 45: *Receivables - Territorial*).

Act of Grace Payments

The Treasurer authorised one Act of Grace Payment. This payment related to a refund of an application for an Extension of Time under the *Planning (General) Regulation 2003*.

City and Environment Directorate
Notes to and Forming Part of the Financial Statements - Territorial
For the Year Ended 30 June 2026

NOTE 42 OTHER EXPENSES – TERRITORIAL – CONTINUED

	2026 $'000
Other Expenses	
Commission Fees	32
Energy Efficiency Improvement Scheme	7,101
Write down of Inventory	687
Waivers	12,703
Expected Credit Loss Expense – Accounts Receivables	317
Write-Offs-Irrecoverable Debts	4,086
Act of Grace Payments	9
Total Other Expenses	**24,935**

	2026 No.	2026 $'000
Breakdown of Waivers		
Other Waivers	36	12,703
Total Waivers	**36**	**12,703**
Breakdown of Act of Grace Payments		
Payments relating to refund of an extension of time payment	1	9
Total Act of Grace Payments	**1**	**9**

NOTE 43 TRANSFER TO GOVERNMENT – TERRITORIAL

Transfer to Government represents the transfer of money, which the Directorate has collected on behalf of the Territory, to Government, which predominantly relate to fees collected for Taxes, Licences, Fees and Fines.

Transfer to Government	
Payments to the Territory Banking Account	465,269
Total Transfer to Government	**465,269**

City and Environment Directorate
Notes to and Forming Part of the Financial Statements - Territorial
For the Year Ended 30 June 2026

ASSET NOTES

NOTE 44 CASH AND INVESTMENTS – TERRITORIAL

Cash
The Directorate holds one bank account with the Westpac Banking Corporation for Territorial cash at bank and no interest is earned on this account.

Investments
The Directorate received Perpetual Care Trust (PCT) investment funds from the Treasury and Norwood Park through contributions by owners in 2023-24. These investment funds are managed by Public Trustee and Guardian (PTG) by acquiring units in PTG's financial investments portfolio. The unit value changes in response to the underlying market value of the financial investments held by the PTG. All unitised investments are designated at Fair Value through Profit or Loss with the carrying amount measured at fair value.

Fair value is the price that would be received to sell the units in an orderly transaction between market participants at the measurement date and reflects the best available prices of the underlying financial investments. Subsequent to initial measurement, investments are re-measured to fair value with changes in their fair value.

(a) Reconciliation of Cash and Investments – Territorial at the End of the Reporting Period in the Statement of Cash Flows on Behalf of the Territory to the Related Items in the Statement of Assets and Liabilities on Behalf of the Territory.

	2026 $'000
Cash and Investments	
Cash	
Deposits Held at Call with a Financial Institution	10,304
Total Cash	**10,304**
Investments	
PCT Investment Funds	18,622
Total Investments	**18,622**
Total Cash and Investments	**28,926**

(b) Reconciliation of the Operating Result to Net Cash Inflows/(Outflows) from Operating Activities

Operating Result	(7,218)
(Less) Non-Cash Items	
Nominal Interest on 30yr Rental Loan	(144)
(Less)/ Add Items Classified as Investing or Financing	
Gain on Investment	(1,570)
Movement on PCT provision	1,581
Cash Before Changes in Operating Assets and Liabilities	**(7,351)**
Changes in Operating Assets and Liabilities	
(Increase) in Receivables	(14,909)
Increase in Payables	16,191
Increase in Inventory	807
(Decrease) in Employee Benefits	(9)
Increase in Revenue Received in Advance	497
Net Changes in Operating Assets and Liabilities	**2,577**
Net Cash (Outflows) from Operating Activities	**(4,774)**

City and Environment Directorate
Notes to and Forming Part of the Financial Statements - Territorial
For the Year Ended 30 June 2026

NOTE 45 RECEIVABLES – TERRITORIAL

Description and Material Accounting Policies Relating to Receivables – Territorial

The Directorate's territorial receivables arise from the collection of fees, fines and land rents. Receivables relating to land rents are recognised when the rental invoice is issued and receivables relating to fees are recognised when they are incurred. These are generally due within 30 days after the fee is incurred or the invoice is issued.

All material accounting policies stated in the Controlled Statements are also applied in Territorial Statements. Additional policies relating to Territorial are listed below.

Trade receivables for land rent are payable in advance in accordance with the terms of the lease. AASB 16 *Leases* has been applied to the recognition of land rental revenue.

Loan receivables in the Territorial financial statements are arrangements with rural lease holders with the Crown to pay lease costs by instalments.

Land sale receivables relate to the amount due from the Suburban Land Agency for land transfers.

Significant Judgements and Estimates

The Directorate has made a significant estimate in the calculation of the allowance for Expected Credit losses for Receivables – Territorial in the Financial Statements. This significant estimate is based on assessment of individual debtors based on historical credit loss experience, adjusted for forward looking factors specific to each debtor.

	2026 $'000
Receivables	
Current Receivables	
Trade Receivables	21,023
Less: Expected Credit Loss Allowance	(11,678)
Loans Receivable	860
Land Sales Receivable	8,632
Other Trade Receivables	33,472
Net Goods and Services Tax Receivable	(153)
Accrued Revenue	13,658
Total Current Receivables	**65,814**
Non-Current Receivables	
Loans Receivable	261
Land Sales Receivable	6,160
Total Non-Current Receivables	**6,421**
Total Receivables	**72,235**

City and Environment Directorate
Notes to and Forming Part of the Financial Statements - Territorial
For the Year Ended 30 June 2026

NOTE 45 RECEIVABLES – TERRITORIAL – CONTINUED

Ageing of Receivables

	Estimated total gross carrying amount at default $'000	Expected credit loss Allowance $'000	Expected credit loss rate %
30 June 2026			
Not overdue	54	2	4.1
1-30 Days Past Due	132	38	28.9
31-60 Days Past Due	-	-	-
61-90 Days Past Due	73	15	20.3
>91 Days Past Due	37,312	11,623	31.2
Total	**37,571**	**11,678**	

The table above does not include any expected credit losses for receivables collectible from other ACT Government Entities and Net Goods and Services Tax Receivable.

	2026 $'000
Reconciliation of the Loss Allowance for Trade Receivables	
Transfers as part of Administrative Arrangements	11,712
Expected Credit Loss Expense	(34)
Expected Credit Loss Allowance at the End of the Reporting Period	**11,678**

NOTE 46 INVENTORIES – TERRITORIAL

Description and Material Accounting Policies Relating to Inventories – Territorial

The unleased Territory land comprises:

- Land where no decision has been made in relation to the future intentions, and
- Land where the decision has been made to transfer the parcel to another agency for development and sale.

As part of the ACT Government's land release program the Directorate transfers unleased land to the Suburban Land Agency (SLA) for development purposes. Unleased land is classified as inventory in the Territorial financial statements.

Land where no decision has been made in relation to the future intentions.

The Directorate classifies unleased Territory land as Property, Plant and Equipment where it is held for strategic purposes and no decision has been made in relation to future intentions. This land is measured at fair value in accordance with the principles of AASB 13 *Fair Value Measurement.*

Land where the decision has been made to transfer the parcel to a Territory agency for development and sale

The Directorate has determined that unleased Territory land should be reclassified from Property, Plant and Equipment to Inventory upon inclusion in the Housing Supply and Land Release Program. Unleased Territory land reclassified as Inventory is subsequently measured at the lower of deemed cost and net realisable value. The Directorate has determined that setting the fair value as the deemed cost on transfer provides the most faithful representation of the cost if the inventory had been purchased.

City and Environment Directorate
Notes to and Forming Part of the Financial Statements - Territorial
For the Year Ended 30 June 2026

NOTE 46 INVENTORIES – TERRITORIAL - CONTINUED

Land which has been transferred to Inventory and fails due diligence works will be subsequently reclassified as Property, Plant and Equipment. Any additional costs incurred by the Directorate to prepare the land for transfer are included in the carrying amount of Inventory and immediately expensed to ensure that the carrying value of the land is measured at the lower of cost (deemed) and net realisable value. Refer to Note 42: *Other Expenses - Territorial*. As the inventory expense is appropriated as a Controlled function in the Budget Papers, the Territorial accounts recognise a resource received free of charge for the due diligence expense incurred.

The Directorate transfers unleased Territory land to the SLA upon formal transfer of the development project to the SLA. Any land which is yet to be transferred to the SLA at the end of the financial year is presented as 'Non-current Inventory' in the Balance Sheet.

The accounting treatment for unleased Territorial land that has been identified for transfer to other ACT Government Directorates (except SLA), where the Directorate is the custodian, will be assessed based on the nature of the transfer and the requirements of the Whole of Government Land Transfer Framework.

	2026 $'000
Current Inventories	
Inventories Land Held for Transfer	188
Total Current Inventories Held for Transfer	**188**
Non-Current Inventories	
Inventories Land Held for Transfer	17,045
Total Non-Current Inventories	**17,045**
Total Inventories Held for Transfer	**17,233**

	2026 $'000
Reconciliation of Inventory	
Opening Inventory at the beginning of the Financial Year	**-**
Inventory Transferred as part of an Administrative Restructure	18,040
Inventory Write Down	(687)
Cost of Land Transfers	(120)
Closing Inventories Held for Transfer	**17,233**

City and Environment Directorate
Notes to and Forming Part of the Financial Statements - Territorial
For the Year Ended 30 June 2026

NOTE 47 LAND - TERRITORIAL

Description and Material Accounting Policies Relating to Land – Territorial

Land relates to Territorial land rented to the ACT Community and unleased rural Territorial land where the Directorate has not yet determined a use.

The most recent valuation was conducted in June 2024 by Acumentis Pty Ltd when the former Environment, Planning and Sustainable Development Directorate (EPSDD) was the custodian of the land. The land has been contributed to CED at this value at 1 July 2025 following an Administrative Restructure.

Leased Territorial land is valued adopting the income approach under AASB 13 *Fair Value Measurement.* The Directorate has made an assessment that an independent valuation would provide more reliable and relevant information as to fair value under AASB 13 *Fair Value Measurement* in the current economic environment. The unleased Territorial land is revalued adopting both market and cost approaches under AASB 13 *Fair Value Measurement.*

	2026 $'000
Land	
Leased Territorial Land at Fair Value	41,701
Unleased Territorial Land at Fair Value	27,244
Total Land	**68,945**
Total Land	**68,945**

Fair Value Hierarchy

The Fair Value Hierarchy below reflects the significance of the inputs used in determining their fair value. The fair value hierarchy is made up of the following three levels:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities that the Directorate can access at the measurement date;
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly; and
- Level 3 - inputs that are unobservable for particular assets or liabilities.

The Directorate values land based on Level 3.

Level 3 Valuation Techniques and Significant Unobservable Inputs for Unleased and Leased Territorial Land

Valuation Technique: Unleased Territorial land where there is no active market or significant restrictions is valued through the market approach. Unleased Territorial land where due diligence is to commence is valued through the market approach, where consideration is given to the highest and best use of the asset. Territorial land that is leased is valued through an income approach.

Significant Unobservable Inputs: Selecting land with similar approximate utility. In determining the value of unleased Territorial land with similar approximate utility significant adjustment to market-based data was required. In determining the value of leased Territorial land with similar approximate utility significant adjustment to income-based data was required.

Unleased Territorial land that has been specifically identified as future development land is valued at its highest and best use and not based on the current use. Land that is transferring to a more intensive use category is subject to variations of town planning instruments and investigative reports into sustainability of that land for other uses. These investigations can determine the possible uses of the land and any potential of contamination, environmental and cultural sensitivities, which can influence the future uses and cost to ready the land for development. Valuation is undertaken at the commencement of due diligence and transferred to inventory at this value.

Transfers in and out of a fair value level are recognised on the date of the event or change in circumstances that caused the transfer.

City and Environment Directorate
Notes to and Forming Part of the Financial Statements - Territorial
For the Year Ended 30 June 2026

LIABILITY NOTES

NOTE 48 PAYABLES – TERRITORIAL

Description and Material Accounting Policies Relating to Payables – Territorial

Payables include Accrued Expenses and Net Goods and Services Tax Payable. Payables are initially measured at fair value based on the transaction cost and subsequent to initial recognition at amortised cost, with any adjustments to the carrying amount being recognised in the Operating Statement.

Trade and Other Payables

Trade and Other Payable amounts are now normally settled within 14 days after the invoice date. The ACT Government accelerated the payment of invoices for local enterprises recognising the importance of cash flow to small and medium enterprises.

Payables to the Territory Banking Account

Payables to the Territory Banking Account arise when the Directorate collects licences, fees and fines or other Territorial revenue and the Directorate is then obligated to pass those funds to Government by transferring them to the Territory Banking Account. The amount of the payable is the territorial revenue collected by the Directorate less any expected credit loss relating to revenue not yet received and has not been transferred to the Territory Banking Account by the end of the financial year.

	2026 **$'000**
Current Payables	
Accrued Expenses	1,291
Payable to the Territory Banking Account	87,158
Total Current Payables	**88,449**
Non-Current Payables	
Payable to the Territory Banking Account	6,421
Total Non-Current Payables	**6,421**
Total Payables	**94,870**

No payables are overdue.

City and Environment Directorate
Notes to and Forming Part of the Financial Statements - Territorial
For the Year Ended 30 June 2026

NOTE 49 OTHER PROVISIONS – TERRITORIAL

Description and Material Accounting Policies Relating to Other Provisions - Territorial

The Directorate is responsible for the long-term maintenance of cemeteries. To support this responsibility, comprehensive actuarial assessments were undertaken for Norwood Park in April 2024 and for the Authority in December 2024. These assessments were designed to estimate the future costs associated with maintaining affected cemetery grounds following the closure of facilities. Actuarial valuations are inherently based on projections of future events and conditions that are uncertain or have not yet occurred. As such, they often extend over lengthy time horizons and rely on a range of assumptions and estimates regarding future outcomes.

The provision is based on the following.

- Estimated potential annual maintenance and servicing costs for each cemetery after the final interment has taken place. These estimates are based on the current expense rates for each cemetery, minus an allowance for expense and overheads that could be eliminated once the cemetery is closed and allowing for a reduction in the level of maintenance assessed by the cemetery.
- Multiplying this by a perpetuity factor to assess the fund amount that, together with future fund investment returns, would support that expense rate, allowing for inflation, ad infinitum.

The perpetuity factor is a factor calculated such that the underlying assets never get eroded, but last into perpetuity and grow with inflation. Effectively, this implies that only the return on the assets above inflation can be disinvested to pay for maintenance expenses.

The future investment returns assumed are based on investments in “risk free” type assets (refer to Note 50: *Financial Instruments - Territorial*).

Provisions are classified as current liabilities when the cemeteries will be closed within the next 12 months. Cemeteries closed after 12 months are classified as non-current liabilities.

	2026 $'000
Non-Current Other Provisions	
Provision for Future Maintenance	29,965
Total Non-Current Other Provisions	**29,965**
Total Other Provisions	**29,965**

City and Environment Directorate
Notes to and Forming Part of the Financial Statements - Territorial For the Year Ended 30 June 2026

OTHER NOTES

NOTE 50 FINANCIAL INSTRUMENTS – TERRITORIAL

Description and Material Accounting Policies Relating to Financial Instruments - Territorial

Details of the material accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset and financial liability are disclosed in the note to which they relate. In addition to these policies, the following are also accounting policies relating to financial assets and liabilities. Financial assets are subsequently 'measured at amortised cost', 'fair value through other comprehensive income' or 'fair value through profit or loss' on the basis of both:

(a) the business model for managing the financial assets; and

(b) the contractual cash flow characteristics of the financial assets.

The following are the classification of CED - Territorial financial assets under AASB 9 *Financial Instruments*.

Items	Business Model Held to collect principal and interest/sell	Solely for payment of Principal and Interest SPPI Test (basic lending characteristics)	Classification
Cash	Held to collect	Yes	Amortised cost
Receivables	Held to collect	Yes	Amortised cost
Investments with the PTG	Held to collect /& sell	No	FVTPL

Financial liabilities are measured at amortised cost.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Directorates Territorial bank accounts are held in non-interest-bearing arrangements and therefore do expose the Directorate to interest rate risk. The Directorate's exposure to interest rate risk arises from its investment in units held within the PTG investment portfolio. The fair value of these investments may fluctuate in response to changes in market interest rates, particularly through the impact on the valuation of underlying fixed interest securities. Investment decisions and portfolio management are undertaken by PTG.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Directorate's Territorial credit risk is limited to the amount of the financial assets held less any provision for losses. Further, inter-agency receivables between ACT Government Entities are generally expected to have low credit risks. The Directorate expects to collect all financial assets that are not past due or impaired. There is no collateral held as security for financial assets.

Credit risk arises from account holders for commercial waste disposal at ACT landfills. This risk is addressed through approval of credit applications, monitoring debt ageing reports, facility access restrictions and formal debt recovery processes.

Price Risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The only price risk that the Directorate is exposed to results from its PCT investment funds with the PTG. The Directorate investors have 'Investment Unit Holdings' with the PTG that fluctuate in value. The price fluctuations in the units of the investment are caused by movements in the underlying investment portfolio.

The underlying investment portfolio exposures include the financial risks associated with cash, money market securities, fixed rate bonds (domestic and international) and equities (domestic and international), private equity, property and infrastructure. Investment exposures are maintained in line with a strategic asset allocation

City and Environment Directorate
Notes to and Forming Part of the Financial Statements - Territorial
For the Year Ended 30 June 2026

NOTE 50 FINANCIAL INSTRUMENTS – TERRITORIAL – CONTINUED

structured to achieve the Directorate's long-term investment objective within acceptable risk tolerances. Under the investment structure, investments are diversified by geography, sector and financial instrument type to manage the risks associated with changing financial and economic conditions.

Sensitivity Analysis

A sensitivity analysis has not been undertaken for the price risk of the Directorate as it has been determined that the possible impact on profit and loss or total equity from fluctuations in price is immaterial.

Fair Value Hierarchy

The Directorate's investment in PTG investment funds is measured at fair value through the profit or loss. Cash and cash equivalents and receivables are measured at amortised cost. Due to their short-term nature, the carrying amounts of cash, receivables and payables approximate their fair values.

The following table sets out the Directorate's maturity analysis for financial liabilities as well as the exposure to interest rates, including the weighted average interest rates by maturity period as at 30 June 2026. All financial assets and liabilities which are non-interest bearing will mature in one year or less. All amounts appearing in the following maturity analysis are shown on an undiscounted cash flow basis.

	Note No.	Weighted Average Interest Rate %	Floating Interest Rate $'000	Fixed Interest Maturing In: 1 Year or Less $'000	Over 1 Year to 5 Years $'000	Over 5 Years $'000	Non-Interest Bearing $'000	Total $'000
Financial Liabilities								
Payables	48	-	-	-	-	-	94,870	94,870
Total Financial Liabilities			-	-	-	-	94,870	94,870

City and Environment Directorate
Notes to and Forming Part of the Financial Statements - Territorial
For the Year Ended 30 June 2026

NOTE 51 RESTRUCTURE OF ADMINISTRATIVE ARRANGEMENTS - TERRITORIAL

Description and Material Accounting Policies Relating to Restructure of Administrative Arrangements

A restructure of administrative arrangements (AAs) is the reallocation or reorganisation of assets, liabilities, activities and responsibilities amongst the agencies that the government controls that occurs as a consequence of a rearrangement in the way in which activities and responsibilities are prescribed under legislation or other authority are allocated between the Government's controlled agencies.

AAs do not apply to the transfer of individual assets between agencies, but instead they involve the transfer of an integrated set of activities, mainly for the purpose of reducing overall costs or providing other economic benefits to the community. They involve a discrete function being transferred between agencies. As such, AAs often involve the transfer of appropriations, staff, bank accounts, assets and liabilities.

AA transfers are classified as contributions by/distribution to owners and (equity transfers). AA transfers are measured at the carrying value recorded by the transferor immediately prior to the transfer.

Restructure of Administrative Arrangements 2025-26

The ACT Government issued the *Administrative Arrangements 2025 (No. 1) Notifiable Instrument (NI2025-350)* on 25 June 2025, which took effect from 1 July 2025. Under this instrument, the City and Environment Directorate (CED) was established through the transfer of functions from Transport Canberra and City Services (TCCS), the Environment, Planning and Sustainable Development Directorate (EPSDD), and Access Canberra. The financial results associated with these functions have been recognised by CED from 1 July 2025.

Transferred Amounts from CMTEDD, EPSDD and TCCS to CED	CMTEDD Access Canberra	Environment, Planning and Sustainable Development Directorate	Transport Canberra and City Services	Total
	$'000	$'000	$'000	$'000
Assets				
Cash and Cash Equivalents	6,627	4,319	16,575	27,521
Receivables	38,952	8,776	1,550	49,278
Inventories	-	6,791	-	6,791
Receivables	-	11,260	-	11,260
Inventories	-	11,249	-	11,249
Property Plant and Equipment	-	68,946	-	68,946
Total Assets Transferred	**45,579**	**111,341**	**18,125**	**175,045**
Liabilities				
Payables	55,250	11,833	1,140	68,223
Employee Benefits	-	279	-	279
Revenue Received in Advance	-	1,257	-	1,257
Payables (Non-Current)	-	11,261	-	11,261
Employee Benefits (Non-Current)	-	3	-	3
Other Provisions (Non-Current)	-	-	26,414	26,414
Total Liabilities Transferred	**55,250**	**24,633**	**27,554**	**107,437**
Total Net Assets Transferred	**(9,671)**	**86,708**	**(9,429)**	**67,608**

City and Environment Directorate
Notes to and Forming Part of the Financial Statements - Territorial
For the Year Ended 30 June 2026

NOTE 52 BUDGETARY REPORTING – TERRITORIAL

Significant Accounting Judgements and Estimates – Budgetary Reporting - Territorial

Significant judgements have been applied in determining what variances are considered 'major variances'. Variances are considered major if both of the following criteria are met:

- The line item is a significant line item: where either the line-item actual amount accounts for more than 10% of the relevant associated actual category amount (Income, Expenses, Assets, Liabilities and Equity totals) or more than 10% of the sub-element (e.g. Current Liabilities and Receipts from Operating Activities totals) of the financial statements; and
- The variances (original budget to actual) are greater than plus (+) or minus (-) 10% and $15 million for the financial statement line item.

Original Budget refers to the amounts presented to the Legislative Assembly in the original budgeted financial statements in respect of the reporting period Budget Statements. These amounts have not been adjusted to reflect supplementary appropriation or appropriation instruments.

Note: # in the 'Variance %' column represents a variance that is greater than 999 percent or less than -999 per cent.

Line Items	Variance Explanation	Actual 2026 $'000	Original Budget 2026 $'000	Variance $'000	Variance %
Operating Statement Line Items					
Sale of Goods and Services from Contracts with Customers	1	15,274	34,760	(19,486)	(56)
Other Expenses	2	24,935	6,421	18,514	288

Variance Explanation

1. The lower-than-budgeted result primarily reflects the final classification of revenue streams following the establishment of the Directorate under the Administrative Arrangements, with certain revenues budgeted within Sales of Goods and Services subsequently recognised within Licences, Fees and Fines.

2. The variance is due to unbudgeted payments for waivers during the period.

	Variance Explanation	Actual 2026 $'000	Original Budget 2026 $'000	Variance $'000	Variance %
Cash Flow Line Items					
Sale of Goods and Services from Contracts with Customers	1	15,272	34,825	(19,553)	(56)

Variance Explanation

1. The lower-than-budgeted result primarily reflects the final classification of revenue streams following the establishment of the Directorate under the Administrative Arrangements, with certain revenues budgeted within Sales of Goods and Services subsequently recognised within Licences, Fees and Fines.

C1B Management Discussion and Analysis – Transport Canberra Operations

For the Year Ended 30 June 2026

Risk Management

Transport Canberra Operations (TCO) maintains an operational risk register, which is routinely reviewed to ensure appropriate and effective controls are in place. The review process also provides an opportunity to identify new and emerging risks. TCO manages risks in line with the CED Risk Management Framework. The risk management practices undertaken by TCO align with the ISO 31000:2018 Risk Management – Principles and Guidelines standard and the ACT Government Risk Management Policy. Further information is included in B4 Risk Management of the Annual Report.

Financial Performance

The financial information included in this document is based on audited Financial Statements for the 2024-25 and 2025-26 financial years, the 2025-26 Budget and the forward estimates contained in the 2025-26 Budget Papers.

Table 1 below provides a summary of the financial operations based on the audited financial statements for 2024-25 and 2025-26, the 2025-26 Budget and forward estimates.

Table 1: Summary of Financial Performance

	Actual 2024-25 $m	Original Budget 2025-26 $m	Actual 2025-26 $m	Forward Estimate 2026-27 $m	Forward Estimate 2027-28 $m	Forward Estimate 2028-29 $m
Total Expenses	312.8	322.0	330.8	313.3	333.3	351.5
Total Income	319.9	277.4	283.6	266.3	283.1	294.4
Income Tax Equivalents Income	13.6	-	14.3	-	-	-
Operating Result	**20.7**	**(44.6)**	**(32.9)**	**(47.0)**	**(50.2)**	**(57.1)**

Comparison to Original Budget

The Operating Result for TCO was a deficit of $32.9 million, representing a more favourable variance of $11.7 million against the budgeted deficit of $44.6 million.

The main contributors to this variance are explained in the notes supporting Table 2 Line Item Explanation of Variances from the Original Budget – Operating Statement.

Comparison to Prior Year

The Operating Result for TCO represented an unfavourable variance of $53.6 million, compared to the 2024–25 surplus of $20.7 million.

The main drivers to this variance are explained in the notes supporting Table 3 Line Item Explanation of Variances from Prior Year – Operating Statement.

Operating Result

Table 2: Line Item Explanation of Variances from the Original Budget - Operating Statement

	Actual 2026	Original Budget 2026	Variance
	$'m	$'m	$'m
Income			
Revenue			
Sale of Services from Contracts with Customers [1]	22.0	29.5	(7.5)
Contributions Income [2]	259.1	247.1	12.0
Other Revenue	2.5	0.8	1.7
Total Income	**283.6**	**277.4**	**6.2**
Expenses			
Employee Expenses [3]	167.9	154.3	13.6
Supplies and Services [4]	97.0	103.2	(6.2)
Depreciation and Amortisation	45.0	46.6	(1.6)
Borrowing Costs	18.2	17.2	1.0
Other Expenses	2.7	0.7	2.0
Total Expenses	**330.8**	**322.0**	**8.8**
Operating Result before Income Tax Equivalents	**(47.2)**	**(44.6)**	**(2.6)**
Income Tax Equivalents Income [5]	14.3	-	14.3
Operating Result	**(32.9)**	**(44.6)**	**11.7**
Other Comprehensive Income			
Items that will not be reclassified subsequently to profit or loss			
(Decrease) in Asset Revaluation Surplus	(0.3)	-	(0.3)
Total Other Comprehensive Result	**(0.3)**	**-**	**(0.3)**
Total Comprehensive Result	**(33.2)**	**(44.6)**	**11.4**

Notes:

1) The lower than budgeted Sale of Services from Contracts with Customers ($7.5 million) is mainly due to the public transport fare initiatives in 2025-26, including Fare-Free Fridays, as well as fare-free travel on Friday and Saturday nights, which ran from December 2025 through February 2026.
2) The higher than budgeted Contributions Income ($12 million) is mainly due to additional funding received to offset the reduction in public transport fares, due to the above-mentioned public transport fare initiatives in 2025-26.
3) The higher than budgeted Employee Expenses ($13.6 million) is mainly due to an increase in staffing to enhance public transport services, partially offset by a decrease in the rate used to estimate the present value of Long Service Leave liabilities from 100.1% to 95.5%.
4) The lower than budgeted Supplies and Services ($6.2 million) is mainly due to lower Public-Private Partnership payments in relation to Light Rail in addition to lower utilisation of consultants.
5) The unbudgeted Income Tax Equivalents Income ($14.3 million) is calculated at year end and cannot be reasonably estimated due to complexity of the calculation.

Table 3: Line Item Explanation of Variances from Prior Year - Operating Statement

	Actual 2026 $'m	Actual 2025 $'m	Variance $'m
Income			
Revenue			
Sale of Services from Contracts with Customers [1]	22.0	17.9	4.1
Contributions Income [2]	259.1	298.7	(39.6)
Other Revenue	2.5	3.3	(0.8)
Total Income	**283.6**	**319.9**	**(36.3)**
Expenses			
Employee Expenses [3]	167.9	156.6	11.3
Supplies and Services	97.0	96.7	0.3
Depreciation and Amortisation [4]	45.0	38.3	6.7
Borrowing Costs [5]	18.2	20.7	(2.5)
Other Expenses	2.7	0.5	2.2
Total Expenses	**330.8**	**312.8**	**18.0**
Operating Result before Income Tax Equivalents	**(47.2)**	**7.1**	**(54.3)**
Income Tax Equivalents Income	14.3	13.6	0.7
Operating Result	**(32.9)**	**20.7**	**(53.6)**
Other Comprehensive Income			
Items that will not be reclassified subsequently to profit or loss			
(Decrease)/Increase in Asset Revaluation Surplus [6]	(0.3)	88.4	(88.7)
Total Other Comprehensive Result	**(0.3)**	**88.4**	**(88.7)**
Total Comprehensive Result	**(33.2)**	**109.1**	**(142.3)**

Notes:

1) The increase in Sale of Services from Contracts with Customers ($4.1 million) is mainly due to the Fare-Free Fridays period associated with the MyWay+ implementation in 2024-25, partially offset by the public transport fare initiatives in 2025-26 including Fare-Free Fridays, as well as fare-free travel on Friday and Saturday nights, which ran from December 2025 through February 2026.

2) The reduction in Contributions Income ($39.6 million) is mainly due to the transfer of Woden Bus Depot assets from TCCS in 2024-25, which includes Plant and Equipment as well as Infrastructure assets.

3) The increase in Employee Expenses ($11.3 million) is primarily driven by salary increases under enterprise agreements and additional staffing to enhance public transport services, resulting in higher payroll-related costs of $15.5 million, including payroll tax and superannuation.

   This increase is partially offset by lower annual leave ($1.2 million) and long service leave expenses ($3.1 million), primarily due to changes in discount rate assumptions and increased leave taken during the year.

4) The increase in Depreciation and Amortisation ($6.7 million) is primarily due to the prior year's revaluation and the additions of new light rail vehicles.

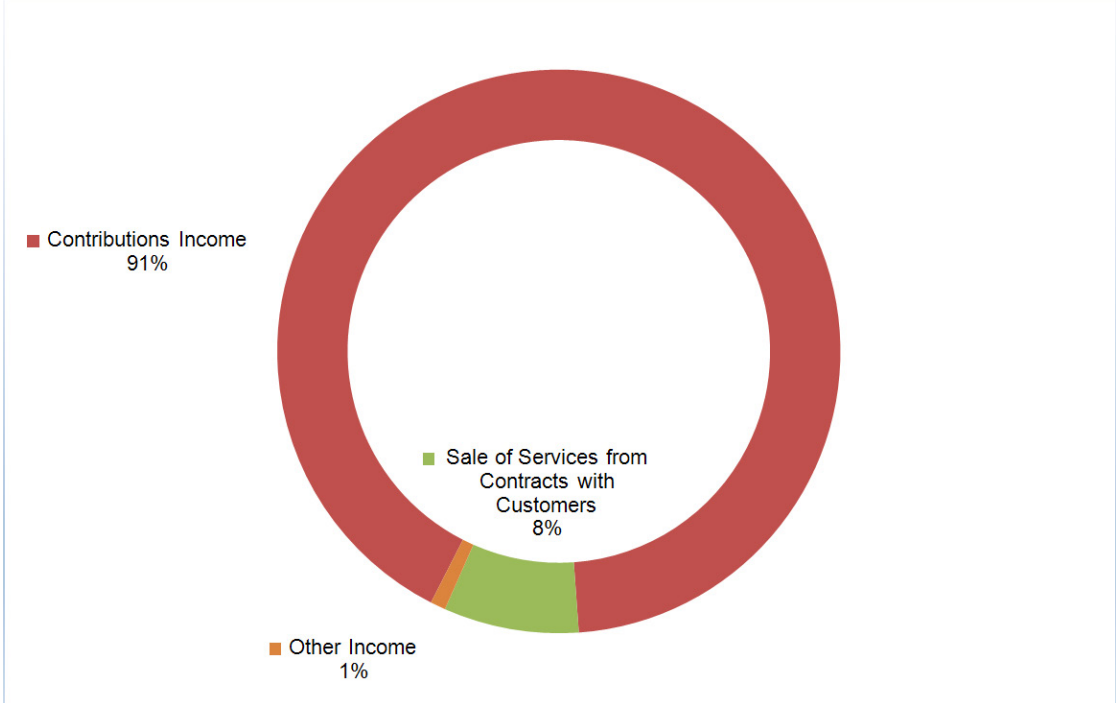
5) The decrease in Borrowing Costs ($2.5 million) is mainly due to lower interest payments associated with the service concession financial liabilities and right-of-use assets.

6) The reduction in Asset Revaluation Surplus ($88.7 million) is primarily due to the prior year's revaluation of the Land and Light Rail Stage 1 assets.

Total Income

Components of Total Income

Figure 1 illustrates the components of Total Income for the year ended 30 June 2026.



Total Expenses

Components of Expenditure

Figure 2 illustrates the components of Total Expenses for the year ended 30 June 2026.

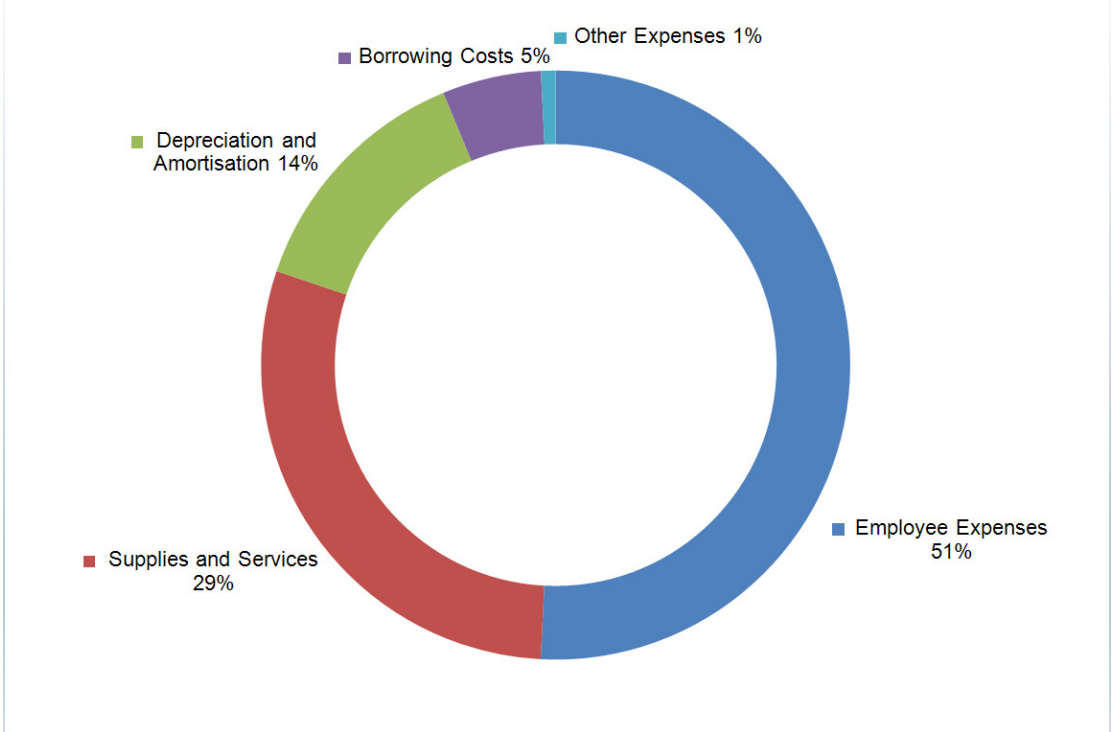


Table 4: Line Item Explanation of Variances from the Original Budget - Balance Sheet

	Actual 2026	Original Budget 2026	Variance
	$'m	$'m	$'m
Current Assets			
Cash	18.6	17.4	1.2
Receivables	3.0	2.9	0.1
Inventories	4.6	6.1	(1.5)
Other Assets	0.2	1.2	(1.0)
Total Current Assets	**26.4**	**27.6**	**(1.2)**
Non-Current Assets			
Property, Plant and Equipment [1]	1,261.6	1,117.1	144.5
Capital Works in Progress [2]	82.4	117.3	(34.9)
Intangible Assets	-	1.2	(1.2)
Total Non-Current Assets	**1,344.0**	**1,235.6**	**108.4**
Total Assets	**1,370.4**	**1,263.2**	**107.2**
Current Liabilities			
Payables [3]	9.9	14.6	(4.7)
Contract Liabilities	11.4	10.0	1.4
Borrowings	14.2	13.3	0.9
Lease Liabilities	2.0	2.9	(0.9)
Employee Benefits [4]	43.8	39.7	4.1
Total Current Liabilities	**81.3**	**80.5**	**0.8**
Non-Current Liabilities			
Borrowings	232.3	233.2	(0.9)
Lease Liabilities [5]	13.1	16.9	(3.8)
Employee Benefits	1.5	2.3	(0.8)
Deferred Tax Liabilities [6]	92.0	81.5	10.5
Total Non- Current Liabilities	**338.9**	**333.9**	**5.0**
Total Liabilities	**420.2**	**414.4**	**5.8**
Net Assets	**950.2**	**848.8**	**101.4**

Notes:

1) The higher than budgeted Property, Plant and Equipment ($144.5 million) is mainly due to higher opening balances resulting from asset revaluation in the previous year, and an addition one light rail vehicle and the remaining retrofit works for existing light rail vehicles transferred from Infrastructure Canberra.
2) The lower than budgeted Capital Works in Progress ($34.9 million) is mainly due to delays in acquiring buses under the *Improved bus services – More electric buses to grow the bus network*, with no expenditure under this initiative in 2025-26.
3) The lower than budgeted Payable ($4.7 million) is mainly due to timing-related factors arising near the end of the financial year.
4) The higher than budgeted Employee Benefits ($4.1 million) is mainly due to an increase in staffing to enhance public transport services, particularly offset by decrease in the rate used to estimate the present value of Long Service Leave liabilities from 100.1% to 95.5%.
5) The lower than budgeted Lease Liabilities ($3.8 million) is mainly due to the delay in the delivery of leased buses.
6) The higher than budgeted Deferred Tax Liabilities ($10.5 million) is mainly related to the deferred tax liabilities arising from the revaluation of assets in 2024-25.

Table 5: Line Item Explanation of Variances from Prior Year - Balance Sheet

	Actual 2026 $'m	Actual 2025 $'m	Variance $'m
Current Assets			
Cash [1]	18.6	12.7	5.9
Receivables	3.0	4.3	(1.3)
Inventories	4.6	5.9	(1.3)
Other Assets	0.2	0.9	(0.7)
Total Current Assets	**26.4**	**23.8**	**2.6**
Non-Current Assets			
Property, Plant and Equipment [2]	1,261.6	1,250.4	11.2
Capital Works in Progress [3]	82.4	61.1	21.3
Total Non-Current Assets	**1,344.0**	**1,311.5**	**32.5**
Total Assets	**1,370.4**	**1,335.3**	**35.1**
Current Liabilities			
Payables [4]	9.9	12.2	(2.3)
Contract Liabilities	11.4	11.1	0.3
Borrowings	14.2	13.3	0.9
Lease Liabilities	2.0	2.0	-
Employee Benefits	43.8	42.1	1.7
Total Current Liabilities	**81.3**	**80.7**	**0.6**
Non-Current Liabilities			
Borrowings [5]	232.3	246.6	(14.3)
Lease Liabilities	13.1	15.1	(2.0)
Employee Benefits	1.5	1.7	(0.2)
Deferred Tax Liabilities [6]	92.0	106.4	(14.4)
Total Non- Current Liabilities	**338.9**	**369.8**	**(30.9)**
Total Liabilities	**420.2**	**450.5**	**(30.3)**
Net Assets	**950.2**	**884.8**	**65.4**

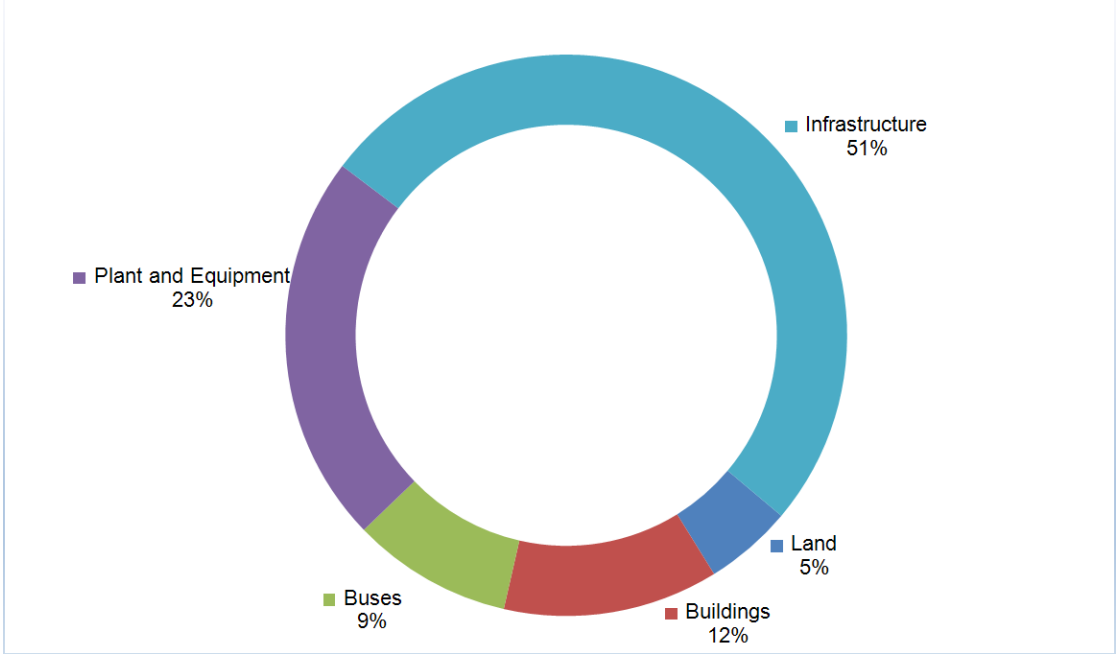
Notes:

1) The increase in Cash ($5.9 million) is mainly due to additional funding received from the CED to mitigate cost pressures.
2) The increase in Property, Plant and Equipment ($11.2 million) is mainly due to an addition one light rail vehicle and the remaining retrofit works for existing light rail vehicles transferred from Infrastructure Canberra, partially offset by higher depreciation expenses resulting from the 2024-25 asset revaluation.
3) The increase in Capital Works in Progress ($21.3 million) is mainly related to the Better Buses to Support New Bus Networks project.
4) The decrease ($2.3 million) is mainly due to the capital works accruals relating to the transition to the new ticketing system and better buses to support the new bus network project in 2024-25.
5) The decrease in Borrowing ($14.3 million) is mainly due to payments made for the service concession arrangement liability during the year. For more information in relation to service concession arrangements refer to Note 15 - ‘Service Concession Arrangement’.
6) The decrease in Deferred Tax Liabilities ($14.4 million) is mainly due to taxable temporary differences arising from an addition one light rail vehicle and the remaining retrofit works for existing light rail vehicles during the financial year.

Financial Position

Components of Total Assets

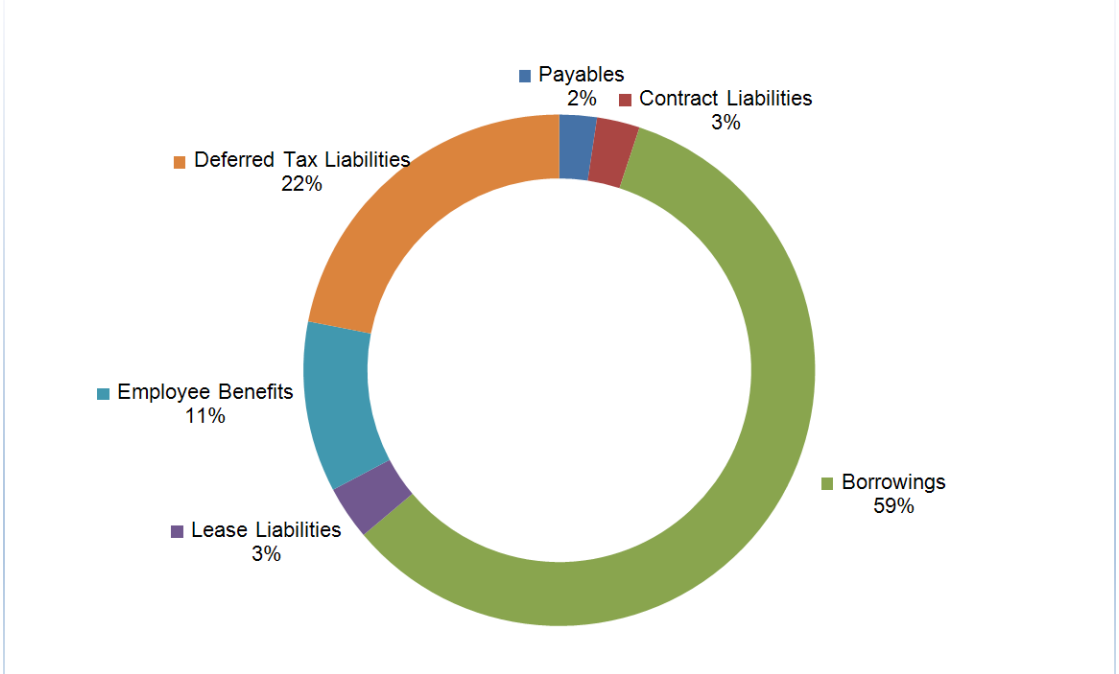
Figure 3 illustrates the components of Property, Plant and Equipment at 30 June 2026.



Financial Position

Components of Total Liabilities

Figure 4 illustrates the components of Total Liabilities at 30 June 2026.



C2B Financial Statements – Transport Canberra Operations

Transport Canberra Operations

Financial Statements

For the Year Ended 30 June 2026

ACT Audit Office

AUDITOR-GENERAL AN OFFICER OF THE ACT LEGISLATIVE ASSEMBLY

INDEPENDENT AUDITOR'S REPORT

To the Members of the ACT Legislative Assembly

Opinion

I have audited the financial statements of Transport Canberra Operations for the year ended 30 June 2026 which comprise the statement of responsibility, statement by the chief financial officer, operating statement, balance sheet, statement of changes in equity, statement of cash flows, statement of appropriation and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In my opinion, the accompanying financial statements:

(i) present fairly, in all material respects, Transport Canberra Operations' financial position as at 30 June 2026, and its financial performance and cash flows for the year then ended; and

(ii) are presented in accordance with the *Financial Management Act 1996* and comply with Australian Accounting Standards.

Basis for opinion

I conducted the audit in accordance with the Australian Auditing Standards. My responsibilities under the standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of this report.

I am independent of Transport Canberra Operations in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (*including Independence Standards*) (Code). I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Transport Canberra Operations for the financial statements

The Director-General of the City and Environment Directorate is responsible for:

- preparing and fairly presenting the financial statements in accordance with the *Financial Management Act 1996,* and relevant Australian Accounting Standards;
- determining the internal controls necessary for the preparation and fair presentation of the financial statements so that they are free from material misstatements, whether due to error or fraud; and
- assessing the ability of Transport Canberra Operations to continue as a going concern and disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting in preparing the financial statements.

Auditor's responsibilities for the audit of the financial statements

Under the *Financial Management Act 1996*, the Auditor-General is responsible for issuing an audit report that includes an independent opinion on the financial statements of Transport Canberra Operations.

Nara Centre, Level 4 / 3 Constitution Ave Canberra ACT 2601 | PO Box 158 Canberra ACT 2601 | (02) 6207 0833 | actauditorgeneral@act.gov.au | audit.act.gov.au

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of Transport Canberra Operations' internal controls;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Transport Canberra Operations;
- conclude on the appropriateness of Transport Canberra Operations' use of the going concern basis of accounting and, based on audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Transport Canberra Operations' ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in this report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of this report. However, future events or conditions may cause Transport Canberra Operations to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether they represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Director-General of the City and Environment Directorate regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Clea Lewis
Assistant Auditor-General, Financial Audits
29 September 2026

Transport Canberra Operations
Financial Statements
For the Year Ended 30 June 2026

Statement of Responsibility

In my opinion, the Transport Canberra Operations' financial statements fairly reflect the financial operations for the year ended 30 June 2026 and its financial position on that date.

Dave Peffer

Director-General

City and Environment Directorate

28 September 2026

Transport Canberra Operations
Financial Statements
For the Year Ended 30 June 2026

Statement by the Chief Financial Officer

In my opinion, the Transport Canberra Operations' financial statements have been prepared in accordance with the Australian Accounting Standards, are in agreement with its accounts and records and fairly reflect its financial operations for the year ended 30 June 2026 and the financial position on that date.

Amy Sleeman

A/g Chief Financial Officer

City and Environment Directorate

28 September 2026

Transport Canberra Operations
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Transport Canberra Operations
Operating Statement
For the Year Ended 30 June 2026

	Note No.	Actual 2026 $'000	Original Budget 2026 $'000	Actual 2025 $'000
Income				
Sales of Goods and Services from Contracts with Customers	4	22,008	29,542	17,909
Contributions Income	5	259,136	247,139	298,664
Other Income		2,470	767	3,368
Total Income		**283,614**	**277,448**	**319,941**
Expenses				
Employee Expenses	6	167,945	154,289	156,629
Supplies and Services	7	97,000	103,169	96,722
Depreciation and Amortisation	13	44,958	46,600	38,326
Borrowing Costs	8	18,258	17,186	20,721
Expensing of Capital Works in Progress		9	-	25
Other Expenses		2,678	715	446
Total Expenses		**330,848**	**321,959**	**312,869**
Operating Result before Income Tax Equivalents		**(47,234)**	**(44,511)**	**7,072**
Income Tax Equivalents Income	19 (a)	14,299	-	13,585
Operating Result		**(32,935)**	**(44,511)**	**20,657**
Other Comprehensive Income				
Items that will not be reclassified subsequently to profit or loss				
(Decrease) / Increase in the Asset Revaluation Surplus		(257)	-	88,352
Total Other Comprehensive Result		**(257)**	**-**	**88,352**
Total Comprehensive Result		**(33,192)**	**(44,511)**	**109,009**

The above Operating Statement is to be read in conjunction with the accompanying notes.

TCO has only one output class and as such the above Operating Statement is also TCO's Operating Statement for TCO Output Class.

Transport Canberra Operations
Balance Sheet
At 30 June 2026

	Note No.	Actual 2026 $'000	Original Budget 2026 $'000	Actual 2025 $'000
Current Assets				
Cash	10	18,583	17,386	12,732
Receivables	11	2,960	2,885	4,273
Inventories	12	4,628	6,087	5,886
Other Assets		240	1,201	882
Total Current Assets		**26,411**	**27,559**	**23,773**
Non-Current Assets				
Property, Plant and Equipment	13	1,319,899	1,234,374	1,289,242
Intangible Assets		24,105	1,222	22,277
Total Non-Current Assets		**1,344,004**	**1,235,596**	**1,311,519**
Total Assets		**1,370,415**	**1,263,155**	**1,335,292**
Current Liabilities				
Payables	14	9,913	14,566	12,247
Contract Liabilities	14	11,383	9,958	11,064
Borrowings	16	14,165	13,343	13,344
Lease Liabilities	17	1,965	2,878	1,998
Employee Benefits	18	43,809	39,669	42,062
Other Liabilities		-	29	-
Total Current Liabilities		**81,235**	**80,443**	**80,715**
Non-Current Liabilities				
Borrowings	16	232,317	233,181	246,585
Lease Liabilities	17	13,119	16,938	15,084
Employee Benefits	18	1,479	2,313	1,697
Deferred Tax Liabilities	19(d)	91,973	81,501	106,350
Total Non-Current Liabilities		**338,888**	**333,933**	**369,716**
Total Liabilities		**420,123**	**414,376**	**450,431**
Net Assets		**950,292**	**848,779**	**884,861**
Equity				
Accumulated Funds		618,051	604,633	552,363
Asset Revaluation Surplus		332,241	244,146	332,498
Total Equity		**950,292**	**848,779**	**884,861**

The above Balance Sheet is to be read in conjunction with the accompanying notes.

In last year's financial statements, a separate Capital Works in Progress (CWIP) line item was disclosed on the face of the Balance Sheet. However, in this year's Balance Sheet, the CWIP line item has been removed with CWIP relating to Property, Plant and Equipment (PPE) included in the PPE line item and the CWIP relating to Intangible Assets included in the Intangible Assets line item. Refer to Note 13 for further information.

Transport Canberra Operations
Statement of Changes in Equity
For the Year Ended 30 June 2026

	Note No.	Accumulated Funds Actual 2026 $'000	Asset Revaluation Surplus Actual 2026 $'000	Total Equity Actual 2026 $'000	Total Equity Original Budget 2026 $'000
Balance at 1 July 2025		**552,363**	**332,498**	**884,861**	**774,985**
Comprehensive Result					
Operating Result		(32,935)	-	(32,935)	(44,511)
(Decrease) in the Asset Revaluation Surplus		-	(257)	(257)	-
Deferred Tax Recognised Directly in Equity	19(c)	77	-	77	-
Total Comprehensive Result		**(32,858)**	**(257)**	**(33,115)**	**(44,511)**
Transactions Involving Owners Affecting Accumulated Funds					
Capital Payments from CED		44,064	-	44,064	63,824
Net Assets Transferred from iCBR[1]		54,482	-	54,482	54,481
Total Transactions Involving Owners Affecting Accumulated Funds		**98,546**	**-**	**98,546**	**118,305**
Balance at 30 June 2026		**618,051**	**332,241**	**950,292**	**848,779**

The above Statement of Changes in Equity is to be read in conjunction with the accompanying notes.

1) Assets transferred from iCBR include five new Light Rail Vehicles retrofitted with onboard batteries.

Transport Canberra Operations
Statement of Changes in Equity – Continued
For the Year Ended 30 June 2026

	Note No.	Accumulated Funds Actual 2025 $'000	Asset Revaluation Surplus Actual 2025 $'000	Total Equity Actual 2025 $'000
Balance at 1 July 2024		**407,063**	**244,146**	**651,209**
Comprehensive Result				
Operating Result		20,657	-	20,657
Increase in the Asset Revaluation Surplus		-	88,352	88,352
Deferred Tax Liability from Revaluation of Assets	19(c)	(26,506)	-	(26,506)
Total Comprehensive Result		**(5,849)**	**88,352**	**82,503**
Transactions Involving Owners Affecting Accumulated Funds				
Capital Payments from TCCS[1]		93,624	-	93,624
Net Assets Transferred from iCBR		57,525	-	57,525
Total Transactions Involving Owners Affecting Accumulated Funds		**151,149**	**-**	**151,149**
Balance at 30 June 2025		**552,363**	**332,498**	**884,861**

The above Statement of Changes in Equity is to be read in conjunction with the accompanying notes.

1) Transport Canberra & City Services (TCCS) ceased on 1 July 2025 following the Administrative Arrangements 2025 and its functions were transferred to the City and Environment Directorate (CED).

Transport Canberra Operations
Statement of Cash Flows
For the Year Ended 30 June 2026

	Note No.	Actual 2026 $'000	Original Budget 2026 $'000	Actual 2025 $'000
Cash Flows from Operating Activities				
Receipts				
Contributions Receipts		256,600	231,445	238,463
Sales of Goods and Services from Contracts with Customers		21,955	41,006	18,619
Goods and Services Input Tax Credits from ATO		15,254	3,467	18,350
Goods and Services Tax Collected from Customers		4,274	3,006	3,820
Other		2,074	767	3,356
Total Receipts from Operating Activities		**300,157**	**279,691**	**282,608**
Payments				
Employee Payments		166,417	153,115	151,072
Supplies and Services		91,631	98,693	90,105
Borrowing Costs		18,258	15,434	19,432
Goods and Services Tax Remitted to ATO		5,086	3,006	3,011
Goods and Services Tax Paid to Suppliers		15,202	3,468	18,371
Other		540	388	372
Total Payments from Operating Activities		**297,134**	**274,104**	**282,363**
Net Cash Inflows from Operating Activities	10	**3,023**	**5,587**	**245**
Cash Flows from Investing Activities				
Receipts				
Proceeds from Sale of Property, Plant and Equipment		-	-	60
Total Receipts from Investing Activities		**-**	**-**	**60**
Payments				
Purchase of Property, Plant and Equipment		91	1,021	497
Purchase of Capital Works in Progress		25,786	44,276	79,931
Total Payments from Investing Activities		**25,877**	**45,297**	**80,428**
Net Cash (Outflows) from Investing Activities		**(25,877)**	**(45,297)**	**(80,368)**

Transport Canberra Operations
Statement of Cash Flows – Continued
For the Year Ended 30 June 2026

	Note No.	Actual 2026 $'000	Original Budget 2026 $'000	Actual 2025 $'000
Cash Flows from Financing Activities				
Receipts				
Capital Payments from CED and former TCCS		44,064	63,824	93,624
Total Receipts from Financing Activities		**44,064**	**63,824**	**93,624**
Payments				
Repayment of Borrowings		74	-	74
Repayment of Lease Liabilities - Principal		1,998	4,658	2,685
Repayment of Service Concession Arrangement Financial Costs		13,287	13,730	12,511
Total Payments from Financing Activities		**15,359**	**18,388**	**15,270**
Net Cash Inflows from Financing Activities		**28,705**	**45,436**	**78,354**
Net Increase/(Decrease) in Cash		**5,851**	**5,726**	**(1,769)**
Cash at the Beginning of the Reporting Period		12,732	11,660	14,501
Cash at the End of the Reporting Period	10	**18,583**	**17,386**	**12,732**

The above Statement of Cash Flows is to be read in conjunction with the accompanying notes.

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 1 OBJECTIVES OF TRANSPORT CANBERRA OPERATIONS

Legal Form and Principal Place of Business

Transport Canberra Operations (TCO) is a Public Non-Financial Corporation (PNFC) overseen by the Transport, Territory and Municipal Services Division of the City and Environment Directorate (CED). TCO is a separate reporting entity with its own financial information, strategic and accountability indicators.

Operations and Principal Activities

TCO delivers public transport services throughout the Territory. TCO services are delivered in line with the ACT Government's vision to provide a convenient, efficient, affordable, reliable and integrated public transport system for the community. Public transport services managed or delivered by TCO include scheduled light rail services, route bus services, school bus services, flexible bus services, special needs transport and management of the ACT rural school bus contract. In line with the objectives of the ACT Transport Strategy 2020 and the Zero Emission Transition Plan 2020, TCO is progressing the transition to a zero-emissions bus fleet to deliver a modern public transport system that drives positive change for all Canberrans.

NOTE 2 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

Legislative Requirement

The *Financial Management Act 1996* (FMA) requires the preparation of annual financial statements for TCO.

The FMA and the *Financial Management Guidelines* issued under the FMA, require TCO's financial statements to include:

(i) an Operating Statement for the year;

(ii) a Balance Sheet at the end of the year;

(iii) a Statement of Changes in Equity for the year;

(iv) a Statement of Cash Flows for the year;

(v) the material accounting policies adopted for the year; and

(vi) other statements as necessary to fairly reflect the financial operations of TCO during the reporting period and its financial position at the end of the year.

These general-purpose financial statements have been prepared in accordance with:

(i) Australian Accounting Standards (as required by the FMA), and supplemented by following the ACT Accounting and Disclosure Policies; and

(ii) International Financial Reporting Standards.

Accrual Accounting

The financial statements have been prepared using the accrual basis of accounting. The financial statements have also been prepared according to the historical cost convention, except for Property, Plant and Equipment, which are valued at fair value in accordance with valuation policies applicable to TCO during the reporting period.

Currency

These financial statements are presented in Australian dollars.

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 2 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS – CONTINUED

Reporting Period

These financial statements reflect the financial performance, changes in equity and cash flows of TCO for the year ended 30 June 2026 together with the financial position of TCO as at 30 June 2026.

Comparative Figures

Budget Figures

To facilitate a comparison with the Budget Papers, as required by the FMA, budget information included in the Original Budget Papers for 2025-26 has been presented in the financial statements.

Prior Year Comparatives

Comparative information has been disclosed in respect of the previous period for amounts reported in the financial statements, except where an Australian Accounting Standard does not require comparative information to be disclosed.

Rounding

All amounts in the financial statements have been rounded to the nearest thousand dollars ($'000).

Use of "-" represents zero amounts or amounts rounded down to zero.

Going Concern

At 30 June 2026, TCO's current liabilities ($81.2 million) exceeded its current assets ($26.4 million) by $54.8 million. This is not considered to be a liquidity risk as TCO receives regular service payments from the ACT Government through CED. The 2025-26 Financial Statements have been prepared on a going concern basis as TCO delivers essential public transport services to ACT residents and is funded in the 2026-27 Budget and the Budget Papers include forward estimates for TCO.

Glossary

Abbreviations used in the financial statements are based on the CED annual report glossary.

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 3 IMPACT OF ACCOUNTING STANDARDS ISSUED BUT YET TO BE APPLIED

All Australian Accounting Standards and Interpretations issued but yet to be applied are applicable to future reporting periods and will be adopted from their application date.

Standards and Interpretations issued but yet to be applied have been assessed as not being relevant to TCO or will have an immaterial financial impact on TCO. However, AASB 18 *Presentation and Disclosure in Financial Statements* (applicable 1 January 2028 for not-for-profit public sector agencies) does contain presentation/disclosure changes that may impact on TCO including:

- that operating, investing and financing categories as well as additional subtotals have to be included in the agency's operating statement;
- the disclosure of management-defined performance measures and reconciliations of these measures with the subtotals required by AASB Standards; and
- enhanced requirements for the grouping (aggregation and disaggregation) of information in the financial statements and in the notes.

The AASB has issued an exposure draft (ED 338 *Application of AASB 18 and AASB 107 by Superannuation and Not-for-Profit Entities and Operating Cash Flow Reconciliation*) that outlines modifications to AASB 18 for not-for-profit public sector entities. If these modifications in the exposure draft are adopted, they will effectively enable TCO to continue to broadly apply the existing disclosure requirements contained in AASB 101 *Presentation of Financial Statements*. However, as this exposure draft is not yet finalised, the impact on the TCO's financial statements from the adoption of AASB 18 cannot be determined at this time.

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

INCOME NOTES

Material Accounting Policies - Income

Income Recognition

Revenue is recognised in accordance with AASB 15 *Revenue from Contracts with Customers* where the contract is enforceable and contains sufficiently specific performance obligations, otherwise income is in the scope of AASB *1058 Income of Not-for-Profit Entities*.

NOTE 4 SALES OF GOODS AND SERVICES FROM CONTRACTS WITH CUSTOMERS

Description and Material Accounting Policies relating to the Sale of Goods and Services

TCO earns revenue from providing goods and services to other ACT Government agencies, private sector consumers and to the public. This revenue is legally retained by TCO and driven by consumer demand.

TCO has undertaken a review to determine whether the goods and services it provides need to be classified as revenue from contracts with customers in accordance with AASB 15. This review involved obtaining information about contracts and other arrangements to make an assessment about whether any of these arrangements fall within the scope of AASB 15. TCO then assessed its revenue from contracts with customers to determine the timing and nature of the satisfaction of performance obligations.

The timing of the payment for sale of goods and rendering of services largely corresponds with the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability. TCO does not offer volume discounts to its customers.

Fare Revenue

Fare revenue is earned from the provision of public transport services. The performance obligation is the provision of public transport services to a customer. TCO meets its performance obligation and records fares revenue when customers pay with a physical MyWay+ card, a contactless credit or debit card (Mastercard or Visa), or a digital card on their smartphone linked to their MyWay+ account on buses and light rail.

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 4 SALES OF GOODS AND SERVICES FROM CONTRACTS WITH CUSTOMERS – CONTINUED

Advertising Revenue

Advertising revenue is generated from advertising displayed on buses and light rail vehicles. The performance obligation is the display of the advertisements. Advertising is managed by third party providers and revenue is recognised when the advertisement is placed on buses and light rail vehicles.

Charter Revenue

Charter revenue is derived from the provision of special transport services to customers. The performance obligation is the provision of the transport services to a customer. Charter revenue is recognised when the transport service is provided to a customer.

None of TCO's revenue streams have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

	2026 $'000	2025 $'000
Fare Revenue [1]	20,032	16,129
Advertising Revenue	1,617	1,505
Charter Revenue	359	275
Total Sales of Goods and Services from Contracts with Customers	**22,008**	**17,909**

1) The increase ($3.9 million) is mainly due to the Fare-Free Fridays period (which commenced December 2024) associated with the MyWay+ implementation in 2024-25, partially offset by the public transport fare initiatives in 2025-26 including Fare-Free Fridays, as well as fare-free travel on Friday and Saturday nights, which ran from December 2025 through February 2026.

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 5 CONTRIBUTIONS INCOME

Description and Material Accounting Policies relating to Contributions Income

Contributions Accounting Policy

TCO has determined that revenues associated with Resources Received Free of Charge do not contain sufficiently specific performance obligations for recognising revenue from contracts with customers.

Revenue is generally recognised based on the asset received (generally cash or other financial assets) at fair value, except for Concessional Travel Payments, which are recognised when TCO has the unconditional right to receive the subsidy for providing discounted travel rates.

When TCO receives an asset or services for significantly less than fair value, revenue is recognised on receipt of the asset or services. Where services are received, an expense of equivalent value is recognised in the line item to which it relates.

All the services listed below are recognised in the Operating Statement or Balance Sheet as appropriate as services received free of charge given they are reliably measurable and would have been purchased if not provided to TCO free of charge.

Resources Received Free of Charge

Legal Services

Legal Services were received free of charge from the ACT Government Solicitor (GSO) for its legal advice relating to procurement contracts and accident claims. The GSO provided TCO with the fair value of the services provided free of charge.

Chief Minister, Treasury and Economic Development Directorate (CMTEDD) Resources Received Free of Charge

Shared Services (SS) Resources Received Free of Charge

TCO is required by the ACT Government to use SS for its financial and HR processing. SS is part of CMTEDD. Given SS is directly appropriated by the ACT Government to provide certain services at a fixed cost to TCO, TCO does not have to pay for these services.

Professional Standards Unit (PSU)

PSU is part of CMTEDD and provides investigation services regarding misconduct and other complaints relating to employees across the ACT Public Service. In addition to investigating complaints, PSU, through the Office of the Public Sector Standards Commissioner also advises the Chief Minister on matters arising from investigations conducted. Given PSU is directly appropriated by the ACT Government, TCO does not have to pay for these services. CMTEDD provided TCO with the fair value of the services provided.

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 5 CONTRIBUTIONS INCOME – CONTINUED

Resources Received Free of Charge – Continued

Injury Management Unit (IMU)

IMU is also part of CMTEDD and provides support and assistance for workplace injury management. IMU also offers guidance on policies and procedures to ensure the health, safety, and wellbeing of the ACT Public Service workforce. Given IMU is directly appropriated by the ACT Government, TCO does not have to pay for these services. CMTEDD provided TCO with the fair value of the services provided.

Digital Canberra (DCBR)

The DCBR provides information and communication technology (ICT) services to TCO. DCBR is directly appropriated by the ACT Government to provide these ICT services to TCO and as such TCO receives these services free of charge. TCO is required by the ACT Government to use DCBR for these services.

Project Management Services provided by Infrastructure Canberra (iCBR)

iCBR provides procurement and infrastructure delivery services to TCO free of charge. iCBR is directly appropriated to deliver these services and as such, TCO is required to use these services. The fair value of the services provided are capitalised on the Balance Sheet as they are directly attributable to the creation of the assets for which the service is provided.

Other Contributions Income

Service Payments from CED are made for TCO to provide public transport services to the community. This is a recognised as contributions income from the ACT Government for TCO's operations and does not have any performance obligations. TCO recognises contributions income upon receipt of cash.

TCO received concessional travel payments through CMTEDD for providing discounted travel to the public. Discounted travel rates include student fares and other concession fares. The amounts recorded are calculated based on actual discounted travel recorded in the ticketing system.

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 5 CONTRIBUTIONS INCOME – CONTINUED

	2026 $'000	2025 $'000
Resources Received Free of Charge		
Legal Services	673	993
Procurement Services provided by CMTEDD	106	104
Financial Services provided by SS	550	615
Human Resources Services provided by SS	844	1,006
Record Management Services provided by the TRO	-	7
Project Management Services provided by iCBR	141	343
Investigation Services provided by PSU	116	113
Workplace Injury Support provided by IMU	226	220
Information and Communication Technology services provided by Digital Canberra	1,927	1,875
Total Resources Received Free of Charge	**4,583**	**5,276**
Other Contributions Income		
Service Payments from CED and former TCCS Directorate	247,791	236,142
Concessional Travel Payments [1]	6,149	4,975
Asset Contributions from CED and former TCCS Directorate [2]	613	52,271
Total Other Contributions Income	**254,553**	**293,388**
Total Contributions Income	**259,136**	**298,664**

1) The increase ($1.2 million) reflects the prior year impact of the discontinuation of the combined ACT Seniors/ MyWay card for tapping on and off public transport.
2) The decrease ($51.7 million) is due to the transfer of Woden Bus Depot assets from TCCS in 2024-25, which included Plant and Equipment as well as Infrastructure assets.

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

EXPENSE NOTES

NOTE 6 EMPLOYEE EXPENSES

Description and Material Accounting Policies Relating to Employee Expenses

Employee expenses comprise all costs incurred in relation to employing staff including wages and salaries, fringe benefits tax, leave entitlements, annual leave loading, termination payments, workers' compensation insurance premiums, accrued flextime, non-monetary benefits, and other employee benefits and on-cost expenses.

Wages and salaries are recognised in the reporting period when the employee renders services to the agency. They are measured based on the amount paid to employees during the year as well as any wages and salaries due to employees that remain unpaid at the end of the financial year.

Superannuation Expense

Employees of TCO will have different superannuation arrangements due to the type of superannuation scheme available at the time of commencing employment, including both defined benefit and defined contribution superannuation scheme arrangements. For employees who are members of the defined benefit Commonwealth Superannuation Scheme (CSS) or Public Sector Superannuation Scheme (PSS), TCO makes employer superannuation contribution payments to the Territory Banking Account (TBA) at a rate determined by CMTEDD. TCO also makes productivity superannuation contribution payments on behalf of these employees to the Commonwealth Superannuation Corporation, which is responsible for administration of the schemes.

For employees who are members of defined contribution superannuation schemes (the Public Sector Superannuation Scheme Accumulation Plan (PSSAP) and schemes of employee choice), TCO makes employer superannuation contribution payments directly to the employees' relevant superannuation fund.

All defined benefit employer superannuation contributions are recognised as expenses on the same basis as the employer superannuation contributions made to defined contribution schemes. The accruing superannuation liability obligations are expensed as they are incurred and extinguished as they are paid.

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 6 EMPLOYEE EXPENSES - CONTINUED

	2026 $'000	2025 $'000
Wages and Salaries [1]	127,430	116,256
Workers' Compensation Insurance Premium	2,783	3,083
Payroll Tax[2]	12,512	10,086
Annual Leave Expense [3]	3,389	4,565
Long Service Leave Expense [4]	2,201	5,254
Superannuation to External Providers[5]	12,159	10,227
Superannuation Contributions to the Territory Banking Account	5,280	5,491
Productivity Benefit	504	529
Flextime Expense	215	172
Other Employee Benefits and On-Costs	1,472	966
Total Employee Expenses	**167,945**	**156,629**

1) The increase ($11.2 million) is mainly due to salary increases under the enterprise agreement and an increase in staffing. At 30 June 2026, TCO employed 1,095 full-time equivalent (FTE) staff (1,035 FTE at 30 June 2025). The increase in staffing is mainly due to support the provision of public transport services.
2) TCO was subject to a higher rate of payroll tax in 2025-26 being 8.75% due to reaching a higher payroll tax threshold.
3) The decrease ($1.2 million) is mainly due to a decrease in the rate used to estimate the present value of Annual Leave liabilities from 99.5% to 98% as well as an increase in leave taken during the year.
4) The decrease ($3.1 million) is mainly due to a decrease in the rate used to estimate the present value of Long Service Leave liabilities from 100.1% to 95.5%.
5) The increase ($1.9 million) is consistent with the increase in Wages and Salaries.

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 7 SUPPLIES AND SERVICES

Description and Material Accounting Policies Relating to Supplies and Services

General - Supplies and Services

Purchases of Supplies and Services generally represent the day-to-day running costs incurred in normal operations, recognised in the reporting period in which these expenses are incurred. Supplies and Services are measured at the amount paid or payable, or where Supplies and Services have been provided free of charge, they are measured at their fair value at the time they are provided.

Insurance

Major risks are insured through the ACT Insurance Authority (ACTIA). The excess payable, under this arrangement, varies depending on each class of insurance held.

Auditor Service Fees

Auditor's remuneration consists of financial audit services provided to TCO by the ACT Audit Office. No other services were provided by the ACT Audit Office.

	2026 $'000	2025 $'000
Service Concession Arrangement - Service Payments [1]	38,493	34,903
Fuel	18,650	17,755
Bus Maintenance and Other Running Expenses	13,572	13,767
Insurance [2]	2,211	3,263
Special Needs Transport and Rural Schools Service Payments	4,632	4,513
Building and Facilities Operating Costs	3,771	3,833
Contractors and Consultants [3]	6,453	8,189
Information Technology and Telecommunications	3,272	3,635
Finance, Procurement and Human Resources Service Charges	1,500	1,731
Support Vehicles and Fuel Charges	1,372	940
Audit Fees to the ACT Audit Office	203	194
Other [4]	2,871	3,999
Total Supplies and Services	**97,000**	**96,722**

1) The increase ($3.6 million) is mainly due to indexation of the cost of delivering services. For more information in relation to service concession arrangements refer to Note 15 - 'Service Concession Arrangement'.

2) The decrease ($1.1 million) is mainly due to a reduction in the ACTIA premium.

3) The decrease ($1.7 million) is due to lower contractors' expenditure and lower Asset Condition Survey fees.

4) The decrease ($1.1 million) is mainly due to higher promotional expenditure in 2024-25 related to MyWay+.

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 8 BORROWING COSTS

Description and Material Accounting Policies Relating to Borrowing Costs

All borrowing costs, including those that are directly attributable to the acquisition, construction, or production of a qualifying asset, are expensed in the period in which they are incurred.

Service Concession Arrangement Financial Costs relate to interest for the light rail service concession arrangement assets. For more information in relation to service concession arrangements refer to Note 15 - 'Service Concession Arrangement'.

	2026 $'000	2025 $'000
Service Concession Arrangement Financial Costs [1]	17,251	19,606
Interest on Lease Liabilities	1,007	1,115
Total Borrowing Costs	**18,258**	**20,721**

1) The decrease ($2.4 million) is mainly due to lower interest payments associated with the service concession financial liabilities.

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 9 IMPAIRMENT LOSSES AND WRITE-OFFS

Description and Material Accounting Policies relating to Impairment Losses and Write-Offs

Impairment Losses – Non-Financial Assets

Under Section 131 of the *Financial Management Act 1996* (FMA) the Treasurer may, in writing, waive impairment loss expenses recognised for inventories when their carrying amount is higher than their recoverable amount, with the difference between the two being the amount of the impairment loss. Impairment losses for inventories are recognised as an expense in the Operating Statement.

Impairment Losses and Write-Offs – Accounts Receivables

A matrix is used to calculate the amount of lifetime expected credit loss, which factors practical and justifiable forward-looking information, including forecast economic changes expected to impact TCO receivables. This method is based on the possibility of default events occurring over the lifetime of the loans.

Impairment losses and write-offs are included in other expenses.

	2026 $'000	2025 $'000
Impairment Losses		
Expected Credit Loss Expense	70	19
Impairment Loss from Receivables	**70**	**19**
Inventory	(334)	98
Impairment Loss from Inventory	**(334)**	**98**
Total Impairment Losses	**(264)**	**117**
Write-offs		
Inventory	1,197	98
Write-offs from Inventory	**1,197**	**98**
Total Write-offs	**1,197**	**117**
Total Impairment Losses and Write-Offs	**933**	**117**

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

ASSET NOTES

NOTE 10 CASH

Description and Material Accounting Policies relating to Cash

TCO holds one bank account with Westpac Banking Corporation (Westpac) as part of the Whole-of-Government Banking Arrangements. As part of these arrangements, TCO does not receive interest on this account.

Cash includes cash at bank and cash on hand.

(a) Cash

	2026 $'000	2025 $'000
Cash at Bank	18,545	12,694
Cash on Hand	38	38
Total Cash	**18,583**	**12,732**

(b) Reconciliation of Cash at the End of the Reporting Period in the Statement of Cash Flows to the Equivalent Items in the Balance Sheet

Total Cash Recorded in the Balance Sheet	**18,583**	**12,732**

(c) Reconciliation of Operating Result to Net Cash Inflows from Operating Activities

Operating Result	(32,935)	20,657
Add/(Less) Non-Cash Items		
Depreciation and Amortisation	44,960	38,326
Expensing of Capital Works in Progress	9	25
Zero Emission Loan Interest	(87)	18
Income Tax Equivalents (Income)	(14,299)	(13,585)
Net Assets transferred (from) Other ACT Government Entities	(612)	(52,271)
Add/(Less) Items Classified as Investing or Financing		
Net Loss/(Gain) on Disposal of Non-Current Assets	1,184	(60)
Capital Works in Progress Accrued	2,077	4,257
Cash Before Changes in Operating Assets and Liabilities	**297**	**(2,633)**
Changes in Operating Assets and Liabilities		
Decrease/(Increase) in Receivables	1,312	(1,787)
Decrease in Inventories	1,259	14
Decrease in Other Assets	642	319
(Decrease) in Payables	(2,333)	(1,863)
Increase in Contract Liabilities	319	636
Increase in Employee Benefits	1,527	5,559
Net Changes in Operating Assets and Liabilities	**2,726**	**2,878**
Net Cash Inflows from Operating Activities	**3,023**	**245**

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 10 CASH– CONTINUED

(d) Reconciliation of liabilities arising from financing activities

	Borrowings $'000	Lease Liabilities $'000	Service Concession Arrangement Financial Liability $'000
2025-26			
Carrying Amount at the Beginning of the Reporting Period	**1,033**	**17,082**	**258,896**
Cash Flow Changes:			
Cash Paid	(74)	(2,441)	(13,287)
Non-Cash Changes:			
New Leases	-	-	-
Other Movements	(87)	443	-
Carrying Amount at the End of the Reporting Period	**872**	**15,084**	**245,609**
2024-25			
Carrying Amount at the Beginning of the Reporting Period	**1,090**	**17,943**	**271,407**
Cash Flow Changes:			
Cash Paid	(74)	(2,685)	(12,511)
Non-Cash Changes:			
New Leases	-	1,346	-
Other Movements	17	478	-
Carrying Amount at the End of the Reporting Period	**1,033**	**17,082**	**258,896**

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 11 RECEIVABLES

Description and Material Accounting Policies Relating to Receivables

Accounts Receivables

Accounts Receivable (including trade and other receivables) are measured at amortised cost, with any adjustments to the carrying amount being recorded in the Operating Statement. Receivables relating to the Sale of Goods and Services from Contracts with Customers are recognised when invoiced, as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment.

Accrued Revenue is revenue that is owed to TCO but has not been invoiced at the end of the reporting period.

Expected Credit Loss – Accounts Receivables

The allowance for expected credit losses represents the amount of trade receivables TCO estimates will not be repaid. TCO applied the simplified approach under AASB 9 *Financial Instruments*, which uses a lifetime expected loss for all trade receivables.

Inter-agency loans and receivables between ACT Government agencies are expected to have low credit risks. Consequently, ACT Government policy is that directorates, territory authorities and territory-owned corporations consolidated into the whole-of-government financial statements will generally not measure any loss allowance for receivables collectable from other ACT Government agencies consolidated into the whole-of-government financial statements.

The amount of the expected credit loss is recognised in the Operating Statement. When TCO ceases action to collect the debt as it considers that it will cost more to recover the debt than the debt is worth, the debt is written off by directly reducing the receivable against the loss allowance.

TCO has made a significant estimate in the calculation of the allowance for expected credit losses for receivables in the financial statements. This significant estimate is based on assessment of individual debtors based on historical credit loss experience, adjusted for forward looking factors specific to each debtor.

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 11 RECEIVABLES – CONTINUED

	2026 $'000	2025 $'000
Current Receivables		
Trade Receivables	973	699
Less: Expected Credit Loss Allowance	(128)	(58)
	845	**641**
Other Receivables	304	8
Accrued Revenue[1]	903	3,475
Net Goods and Services Tax Receivable	908	149
Total Current Receivables	**2,960**	**4,273**
Total Receivables	**2,960**	**4,273**

1) The decrease of $2.6 million is mainly related to the timing of concession revenue reimbursements from CMTEDD in the prior year.

Expected Credit Loss Allowance Provision Matrix
Ageing of Receivables

	Accounts receivable Estimated total gross carrying amount at default $'000	Expected credit loss allowance $'000
30 June 2026		
Not overdue	1,319	-
1-30 Days Past Due	9	-
61-90 Days Past Due	93	-
>91 Days Past Due	131	128
Total	**1,552**	**128**
30 June 2025		
Not overdue	820	-
1-30 Days Past Due	3	-
31-60 Days Past Due	1	-
61-90 Days Past Due	74	-
>91 Days Past Due	65	58
Total	**963**	**58**

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 11 RECEIVABLES – CONTINUED

	2026 $'000	2025 $'000
Reconciliation of the Loss Allowance		
Accounts receivable		
Allowance for Impairment Losses at the Beginning of the Reporting Period	(58)	(50)
Recognised During the Reporting Period	(70)	(19)
Reduction in Allowance from Write-offs During the Reporting Period	-	11
Allowance for Impairment Losses at the End of the Reporting Period	**(128)**	**(58)**

NOTE 12 INVENTORIES

Description and Material Accounting Policies relating to Inventories

Inventory

TCO's inventory consists of bus spare parts and diesel. TCO purchases diesel and uses the spare parts to repair or maintain buses as needed.

Where inventories are acquired for no cost or nominal consideration, they are measured at current replacement cost at the date of acquisition. Current replacement cost is the cost TCO would incur to acquire the asset.

	2026 $'000	2025 $'000
Inventories		
Diesel[1]	449	1,318
Bus Spare Parts	4,303	5,026
Less: Allowance for Obsolete Inventories	(124)	(458)
Total Inventories	**4,628**	**5,886**

1) The diesel value represents the value of the litres of diesel fuel held at the bus depots at 30 June.

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 13 PROPERTY, PLANT AND EQUIPMENT

Description and Material Accounting Policies relating to Property, Plant and Equipment

TCO has the following ten classes of Property, Plant and Equipment:

- **Land** is defined as the ground, including the soil covering, and any associated surface waters. Land incorporates the vegetation on the land and earthworks associated with that vegetation. Land includes leasehold land at Tuggeranong, Woden, Belconnen and Mitchell depots, and land under infrastructure.
- **Buildings** are structures that have a roof and walls and stand permanently in one place. These structures are separately identifiable from the land they are constructed upon and as such do not include the land. Buildings include light rail buildings, bus depots and land improvements that adjoin a building. Land improvements are long-life items erected on land that increase the land's usefulness or value. Land improvements include parking lots and retaining walls.
- **Right-of-Use Buildings** are leased structures and land improvements that are separately identifiable from the land they are constructed upon. Service Concession (SC) building assets are included within the right-of-use building asset class and include the service concession assets light rail building.
- **Buses** represents TCO fleet vehicles used in the provision of the bus network.
- **Right-of-Use Buses** has the same definition as Buses, with the exception that they are held under a lease.
- **Plant and Equipment** are tangible assets including mobile plant, air conditioning and heating systems, office and computer equipment, furniture and fittings, motor vehicles, other buses, light rail vehicles (rolling stock), light rail maintenance equipment, and other mechanical and electronic equipment. Plant and equipment are assets that are used directly by TCO rather than directly by the general community. Service concession plant and equipment assets are included within the plant and equipment asset class.
- **Right-of-Use Plant and Equipment** has the same definition as plant and equipment, with the exception that they are held under a lease. Right-of-use plant and equipment held by TCO includes motor vehicles.
- **Infrastructure Assets** are physical assets that typically have a long useful life and consist of a complex interconnected network of individual components, which enhance the productive capacity of the economy and support government services. Buildings do not meet the definition of infrastructure assets unless they are an ancillary part of an infrastructure system. TCO holds service concession light rail infrastructure assets that include tracks, overhead wiring and poles, signalling and traffic control systems, electricity substations and light rail stops that are included within the infrastructure asset class. Land under infrastructure is not included in the infrastructure asset class.
- **Other Assets** includes a heritage bus owned by TCO and fit-out in a leased building.
- **Capital Works in Progress (CWIP)** is property, plant and equipment that is in the process of being constructed and as such is not yet in use or available for use. That is, CWIP is property, plant and equipment that is not in a location and condition necessary for it to be capable of operating in a manner intended by management. CWIP held by TCO include plant and equipment, infrastructure assets, buildings and leasehold improvements under construction. Works in Progress relating to intangible assets are included in intangible assets.

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 13 PROPERTY, PLANT AND EQUIPMENT – CONTINUED

Acquisition and Recognition of Property, Plant and Equipment

Property, Plant and Equipment is initially measured at cost, which comprises its purchase price, any directly attributable costs and the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. For Right-of-Use assets, cost comprises the initial amount of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration, less any lease incentives received.

CWIP are recognised at the time the construction activity occurs. These assets are measured at the cost of constructing the asset. The cost includes direct construction costs (e.g. direct materials and direct labour costs of construction workers), 'directly attributable' costs in bringing the assets to a location and condition ready for use, and the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. Directly attributable costs included in CWIP by TCO are the cost of site preparation, initial delivery and handling costs of materials, installation and assembly costs, functional testing and professional fees. However, TCO initially recognises service concession assets at current replacement cost in accordance with the cost approach to fair value in AASB 13 *Fair Value Measurement*.

Where Property, Plant and Equipment is acquired at no or nominal cost, it is measured at fair value as at the date of acquisition. However, Property, Plant and Equipment acquired at no cost or minimal cost as part of a restructuring of administrative arrangements is measured at the transferor's book value.

The capitalisation threshold for Property, Plant and Equipment is $5,000.

Measurement of Property, Plant and Equipment After Initial Recognition

Property, Plant and Equipment is measured using the cost or revaluation model which are measured at fair value. Land, Buildings, Infrastructure, Owned Buses and Plant and Equipment, and Other Assets are all measured at fair value. The fair value of service concession assets measured using the revaluation model is determined based on current replacement cost. After the commencement date, all right-of-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses and adjusted for any re-measurement of the lease liability. Right-of-Use assets recognised under AASB 16 *Leases* are disclosed under the relevant class of Property, Plant and Equipment.

Assets at fair value are revalued every 3 years. Towards the end of each financial year TCO assesses whether there are any 'indicators' that the carrying amount of its Property, Plant and Equipment is materially different to fair value. Where these indicators exist, the asset will be revalued regardless of when the last valuation took place. Any accumulated depreciation at the date of revaluation is written back against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

TCO's Property, Plant and Equipment assets are revalued on a three-year schedule. AON Valuation Services, an independent valuer, has performed all valuations of TCO's Property, Plant and Equipment assets. The latest valuation of Service Concession Assets and Land was performed as at 30 June 2025. The latest valuation of Buildings and Buses was performed as at 30 June 2026.

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 13 PROPERTY, PLANT AND EQUIPMENT – CONTINUED

Impairment of Assets

At each reporting date, TCO assesses whether there is any indication of impairment for assets that are measured at cost subsequent to initial recognition and for non-specialised PPE measured at fair value subsequent to initial recognition. Property, Plant and Equipment is also reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Any resulting impairment losses relating to non-specialised Land, Buildings, Infrastructure, Owned Buses and Plant and Equipment, and Other Assets are recognised as a decrease in the Asset Revaluation Surplus relating to these classes of assets. This is because these asset classes contain non-specialised assets that are measured at fair value and have an Asset Revaluation Surplus attached to them. Where the impairment loss is greater than the balance in the Asset Revaluation Surplus for the relevant class of asset, the difference is expensed in the Operating Statement.

Non-financial assets that have previously been impaired are reviewed for possible reversal of impairment at each reporting date.

Accounting for Components of Buses and Light Rail Vehicles

TCO has made a significant judgement regarding the recognition and depreciation of each bus and light rail vehicle, including its significant components. TCO has assessed that the useful lives of significant components of each bus and light rail vehicle, such as the engine and transmission, are the same as the main component, the chassis. Therefore, TCO accounts for each bus and light rail vehicle, including most significant components, as one asset and depreciates it over the assessed useful life or the leased term, whichever is shorter. TCO's light rail fleet incorporates Onboard Energy Storage System (OESS) technology and its zero emission buses are battery powered. These energy storage assets have shorter useful lives than the vehicles that they support, therefore TCO has determined that these items should be recorded in the asset register as discrete assets and depreciated accordingly

Depreciation and Useful Life

Depreciation is the systematic allocation of the cost of an asset less its residual value over its useful life. Depreciation commences when Property, Plant and Equipment is ready for its intended use.

Depreciation is applied to physical assets such as Buildings, Leasehold Improvements, Buses, Plant and Equipment and Infrastructure assets. Land and Heritage assets have an unlimited useful life and are therefore not depreciated. The vegetation on the land and earthworks associated with that vegetation has been assessed as having an unlimited useful life and is therefore also not depreciated.

Right-of-Use Buildings and Right-of-Use Plant and Equipment are depreciated over the estimated useful life of each asset, or the unexpired period of the relevant lease, whichever is shorter.

All depreciation is calculated after first deducting any residual values that remain for each asset.

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 13 PROPERTY, PLANT AND EQUIPMENT – CONTINUED

Depreciation and amortisation for Property, Plant and Equipment is determined as follows:

Class of Asset	Depreciation/ Amortisation Method	Useful Life (Years)
Buildings	Straight-line	8-100
Leasehold Improvements	Straight-line	5-10
Buses	Straight-line	5-20
Plant and Equipment	Straight-line	4-29
Infrastructure Assets	Straight-line	20-75

TCO has made a significant estimate in determining the useful lives of its Property, Plant and Equipment. The estimation of useful lives of Property, Plant and Equipment is based on the historical experience of similar assets and in some cases is based on advice provided by AON. The useful lives are re-assessed on an annual basis and any adjustments are made when considered necessary.

Additional Information relating to Service Concession Arrangements

For more information in relation to service concession arrangements refer to Note 15 *Service Concession Arrangements*.

	2026 $'000	2025 $'000
Land		
Land at Fair Value	63,904	63,904
Total Land	**63,904**	**63,904**
Buildings		
Owned Buildings		
Buildings at Fair Value	51,138	51,893
Less: Accumulated Depreciation	-	(2,809)
Total Owned Buildings [1]	**51,138**	**49,084**
Right-of-Use Buildings		
Service Concession Arrangement - Buildings at Fair Value	107,700	107,700
Less: Accumulated Depreciation	(2,457)	-
Total Right-of-Use Buildings	**105,243**	**107,700**
Total Buildings	**156,381**	**156,784**
Buses		
Owned Buses		
Buses at Fair Value	103,314	141,947
Less: Accumulated Depreciation	(32)	(22,984)
Total Owned Buses [2]	**103,282**	**118,963**

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 13 PROPERTY, PLANT AND EQUIPMENT – CONTINUED

	2026	2025
Right-of-Use Buses	**$'000**	**$'000**
Right-of-Use Buses at Cost	18,143	16,518
Less: Accumulated Depreciation	(4,881)	(1,628)
Total Right-of-Use Buses	**13,262**	**14,890**
Total Buses	**116,544**	**133,853**
Plant and Equipment		
Owned Plant and Equipment		
Plant and Equipment at Fair Value	134,205	78,583
Less: Accumulated Depreciation	(8,458)	(2,655)
Total Owned Plant and Equipment [3]	**125,747**	**75,928**
Right-of-Use Plant and Equipment		
Service Concession Arrangement - Plant and Equipment		
Service Concession Arrangement - Plant and Equipment at Fair Value	165,618	165,618
Less: Accumulated Depreciation	(8,731)	(2,942)
Total Service Concession Arrangement - Plant and Equipment	**156,887**	**162,676**
Other Right-of-Use Plant and Equipment		
Other Right-of-Use Plant and Equipment at Cost	3,189	3,989
Less: Accumulated Depreciation	(2,046)	(2,348)
Total Other Right-of-Use Plant and Equipment	**1,143**	**1,641**
Total Right-of-Use Plant and Equipment	**158,030**	**164,317**
Total Plant and Equipment	**283,777**	**240,245**
Infrastructure		
Owned Infrastructure		
Infrastructure Assets at Fair Value	46,373	45,707
Less: Accumulated Depreciation	(1,376)	(95)
Total Owned Infrastructure [1]	**44,997**	**45,612**
Service Concession Arrangement - Infrastructure Assets		
Service Concession Arrangement - Infrastructure Assets at Fair Value	609,772	609,772
Less: Accumulated Depreciation	(13,911)	-
Total Service Concession Arrangement - Infrastructure Assets	**595,861**	**609,772**
Total Infrastructure	**640,858**	**655,384**
Other Assets		
Heritage Asset at Fair Value	20	20
Leasehold Improvements at Fair Value	286	287
Less: Accumulated Depreciation	(145)	(99)
Total Other Assets	**161**	**208**
Capital Works in Progress		
Capital Works in Progress at Cost	58,274	38,864
Total Capital Works in Progress	**58,274**	**38,864**
Total Property, Plant and Equipment	**1,319,899**	**1,289,242**

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 13 PROPERTY, PLANT AND EQUIPMENT – CONTINUED

1) The increase in Buildings and Infrastructure assets is mainly due to the 2025–26 building revaluation, which resulted in a higher asset valuation.

2) The decrease in Buses is mainly due to the 2025-26 revaluation, which resulted in a lower asset valuation.

3) The increase in Plant and Equipment primarily relates to the transfer of 5 new light rail vehicles from iCBR.

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 13 PROPERTY, PLANT AND EQUIPMENT – CONTINUED

Reconciliation of Property, Plant and Equipment

2025-26	Land $'000	Buildings $'000	Buses $'000	ROU Buses $'000	Plant and Equipment $'000	ROU Plant and Equipment $'000	Infra-structure $'000	SC Assets $'000	Other Assets $'000	Capital Work in Progress $'000	Total $'000
Carrying Amount at the Beginning of the Reporting Period	**63,904**	**49,084**	**118,963**	**14,890**	**75,928**	**1,641**	**45,612**	**880,148**	**208**	**38,864**	**1,289,242**
Additions	-	-	-	-	69	-	-	-	-	22,039	22,108
Capital Works in Progress Completed and Transferred to another class of Property, Plant and Equipment	-	1,039	-	-	1,048	-	390	-	-	(2,477)	-
Capital Works in Progress Completed and Expensed	-	-	-	-	-	-	-	-	-	(9)	(9)
Revaluation Increment/(Decrement) recognised in Other Comprehensive Income	-	3,015	(3,272)	-	-	-	-	-	-	-	(257)
Depreciation	-	(2,315)	(11,230)	(1,628)	(5,802)	(498)	(1,280)	(22,157)	(47)	-	(44,957)
Disposals	-	-	(1,179)	-	-	-	-	-	-	-	(1,179)
Transfer to CED	-	-	-	-	-	-	-	-	-	(126)	(126)
Transfer from CED	-	315	-	-	23	-	275	-	-	-	613
Transfer from iCBR	-	-	-	-	54,481	-	-	-	-	-	54,481
Other Movements	-	-	-	-	-	-	-	-	-	(17)	(17)
Carrying Amount at the End of the Reporting Period	**63,904**	**51,138**	**103,282**	**13,262**	**125,747**	**1,143**	**44,997**	**857,991**	**161**	**58,274**	**1,319,899**

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 13 PROPERTY, PLANT AND EQUIPMENT – CONTINUED

Reconciliation of Property, Plant and Equipment

	Land $'000	Buildings $'000	Buses $'000	ROU Buses $'000	Plant and Equipment $'000	ROU Plant and Equipment $'000	Infra-structure $'000	SC Assets $'000	Other Assets $'000	Capital Work in Progress $'000	Total $'000
2024-25											
Carrying Amount at the Beginning of the Reporting Period	**63,904**	**17,514**	**96,886**	**16,021**	**11,625**	**1,588**	**24,777**	**810,794**	**226**	**18,909**	**1,062,244**
Additions	-	-	-	497	642	849	12	-	41	65,220	67,261
Capital Works in Progress Completed and Transferred to another class of Property, Plant and Equipment	-	1,064	32,684	-	10,569	-	923	-	-	(45,240)	-
Capital Works in Progress Completed and Expensed	-	-	-	-	-	-	-	-	-	(25)	(25)
Revaluation Increment recognised in Other Comprehensive Income	-	108	-	-	(2,621)	-	1,148	89,717	-	-	88,352
Depreciation	-	(1,517)	(10,578)	(1,628)	(2,785)	(782)	(614)	(20,363)	(59)	-	(38,326)
Disposals	-	-	(29)	-	(17)	(14)	-	-	-	-	(60)
Transfer from former TCCS	-	31,915	-	-	990	-	19,366	-	-	-	52,271
Transfer from iCBR	-	-	-	-	57,525	-	-	-	-	-	57,525
Carrying Amount at the End of the Reporting Period	**63,904**	**49,084**	**118,963**	**14,890**	**75,928**	**1,641**	**45,612**	**880,148**	**208**	**38,864**	**1,289,242**

[1] In last year's financial statements this note included a separate 'Reconciliation of Capital Works in Progress' and a 'Reconciliation of Capital Works in Progress Amount from the Notes to the Amount on the Face of the Balance Sheet'. However, in this year's financial statements both reconciliations have been removed given the Capital Works in Progress line item on the face of the Balance Sheet has been removed and a Capital Works in Progress column has been added to the 'Reconciliation of Property, Plant and Equipment' above

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 13 PROPERTY, PLANT AND EQUIPMENT – CONTINUED

Fair Value Hierarchy

The Fair Value Hierarchy below reflects the significance of the inputs used in determining fair value. The Fair Value Hierarchy is made up of the following three levels.

- Level 1 – quoted prices (unadjusted) in active markets for identical assets that TCO can access at the measurement date.
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for assets, either directly or indirectly.
- Level 3 – inputs that are unobservable for particular assets or liabilities.

Details of TCO's Property, Plant and Equipment at fair value and information about the Fair Value Hierarchy are as follows.

	Classification According to the Fair Value Hierarchy		
	Level 2	**Level 3**	**Total**
2025-26	**$'000**	**$'000**	**$'000**
Property, Plant and Equipment at Fair Value			
Land	63,904	-	63,904
Buildings	-	156,383	156,383
Buses	-	103,282	103,282
Leasehold Improvements	-	141	141
Plant and Equipment	137	282,496	282,633
Infrastructure Assets	-	640,858	640,858
Other Assets	20	-	20
Total Fair Value	**64,061**	**1,183,160**	**1,247,221**

	Level 2	**Level 3**	**Total**
2024-25	**$'000**	**$'000**	**$'000**
Property, Plant and Equipment at Fair Value			
Land	63,904	-	63,904
Buildings	-	156,784	156,784
Buses	-	118,963	118,963
Leasehold Improvements	-	188	188
Plant and Equipment	138	238,466	238,604
Infrastructure Assets	-	655,384	655,384
Other Assets	20	-	20
Total Fair Value	**64,062**	**1,169,785**	**1,233,847**

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 13 PROPERTY, PLANT AND EQUIPMENT – CONTINUED

Transfers Between Categories

There have been no transfers between Levels 2 and 3 during the current and previous reporting periods.

Valuation Techniques, Inputs and Processes

Level 3 Valuation Techniques and Significant Unobservable Inputs

Buildings

Valuation Technique: Buildings are considered specialised and measured using the cost approach.

Significant Unobservable Inputs: in determining the value of Buildings regard was given to the age and condition of the assets, their estimated replacement cost and current use.

Combined Level 2 and Level 3 Techniques and Inputs

Land

Valuation Technique: the valuation technique used to value Land is the market approach that reflects transaction prices for similar properties (comparable in location and size).

Observable and Unobservable Inputs: prices and other relevant information generated by market transactions involving comparable land have been considered.

Buses

Valuation Technique: valuation for Buses uses both the market and cost techniques, depending on the age and type of bus.

Observable and Unobservable Inputs: depending on the existence or absence of secondary market activity for Compressed Natural Gas (CNG) buses, diesel buses, or electric buses less than or greater than nine years old, either at replacement cost or secondary market value.

Plant and Equipment

Valuation Technique: valuation for Plant and Equipment is predominantly measured using the market valuation approach where a secondary sales market is shown to exist. Specialised Plant and Equipment such as light rail vehicles, fuel installations, closed-circuit television and spray booths are measured at fair value using the depreciated replacement cost.

Observable and Unobservable Inputs: in determining the value of Plant and Equipment regard was given to the existence of a secondary sales market involving assets comparable in age and condition. Where there is an absence of a secondary sales market, consideration is given to the age and condition of the assets, their estimated replacement cost and current use.

Infrastructure Assets

Valuation Technique: Infrastructure Assets are considered specialised assets by the Valuer and measured using the cost approach.

Significant Unobservable Input: estimating the cost for a market participant to construct assets of comparable utility adjusted for obsolescence.

There has been no change to the above valuation techniques during the reporting period.

Transfers in and out of a fair value level are recognised on the date of the event or change in circumstances that caused the transfer.

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 13 PROPERTY, PLANT AND EQUIPMENT – CONTINUED

Fair Value Measurements using Significant Unobservable Inputs (Level 3)

2025-26	Buildings $'000	Buses $'000	Plant and Equipment $'000	Infrastructure Assets $'000	Leasehold Improvements $'000	Total $'000
Fair Value at the Beginning of the Reporting Period	**156,784**	**118,963**	**238,466**	**655,384**	**188**	**1,169,785**
Additions	1,039	-	1,117	390	-	2,546
Revaluation Increment/(Decrement) Recognised in Other Comprehensive Income	3,015	(3,272)	-	-	-	(257)
Depreciation	(4,771)	(11,230)	(11,591)	(15,191)	(47)	(42,830)
Disposals	-	(1,179)	-	-	-	(1,179)
Transfer from CED	315	-	23	275	-	613
Transfer from iCBR	-	-	54,481	-	-	54,481
Fair Value at the End of the Reporting Period	**156,382**	**103,282**	**282,496**	**640,858**	**141**	**1,183,159**

2024-25						
Fair Value at the Beginning of the Reporting Period	**107,580**	**96,886**	**222,142**	**534,711**	**206**	**961,525**
Additions	1,064	32,684	11,209	935	41	45,933
Revaluation Increment Recognised in Other Comprehensive Income	19,750	-	(43,758)	112,360	-	88,352
Depreciation	(3,525)	(10,578)	(9,625)	(11,988)	(59)	(35,775)
Disposals	-	(29)	(17)	-	-	(46)
Transfer from CED	31,915	-	990	19,366	-	52,271
Transfer from iCBR	-	-	57,525	-	-	57,525
Fair Value at the End of the Reporting Period	**156,784**	**118,963**	**238,466**	**655,384**	**188**	**1,169,785**

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

LIABILITY NOTES

NOTE 14 PAYABLES AND CONTRACT LIABILITIES

Description and Material Accounting Policies relating to Payables and Contract Liabilities

Payables

Payables include Trade Payables and Accrued Expenses.

Payables are initially recognised at fair value based on the transaction cost and subsequently at amortised cost, with any adjustments to the carrying amount being recorded in the Operating Statement. All amounts are normally settled within 14 days after the invoice date or the receipt of goods and services, or within agreed payment terms.

Contract Liabilities

Contract liabilities relate to consideration received in advance from customers in respect of Fare Revenue with Sufficiently Specific Performance Obligations. When an amount of consideration is received from a customer prior to the Agency transferring a good or service to the customer, the balance of the consideration that has not been transferred is presented as a contract liability.

Members of the public can pay for their fares using a MyWay+ card or a digital card linked to their MyWay+ account on their smartphone. To use a MyWay+ card or account, customers must pre-load money onto their card or account. When they board a bus or light rail, they simply scan their card or smartphone, which deducts the fare from their balance. This payment method allows TCO to collect fare revenue before the public transport services are provided. As such, TCO recognises the upfront receipt as a contract liability and later recognises it as fare revenue once the customer scans their card or smartphone while using the public transport services.

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 14 PAYABLES AND CONTRACT LIABILITIES – CONTINUED

	2026 $'000	2025 $'000
Current Payables and Contract Liabilities		
Current Payables		
Accrued Expenses	9,007	10,521
Trade Payables	906	1,726
Total Current Payables [1]	**9,913**	**12,247**
Current Contract Liabilities		
Amounts received Related to Contracts with Customers for Fare Revenue Where the Performance Obligations have not yet been Satisfied	11,383	11,064
Total Current Contract Liabilities	**11,383**	**11,064**
Total Current Payables and Contract Liabilities	**21,296**	**23,311**

1) The decrease ($2.3 million) is mainly due to the capital works accruals relating to the transition to the new ticketing system and better buses to support the new bus network project in 2024-25.

Payables are aged as follows:

Not Overdue	21,265	23,311
Overdue for Less than 30 Days	31	-
Total Payables and Contract Liabilities	**21,296**	**23,311**

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 15 SERVICE CONCESSION ARRANGEMENT

Light Rail Service Concession Arrangement

Background

On 25 May 2016, the Territory (grantor) entered into a 20-year Public Private Partnership (PPP) with Canberra Metro (CM) (operator) to construct, deliver, maintain and operate light rail infrastructure assets, light rail plant and equipment, and light rail building assets over the term of the contract. These assets have been constructed on Territory land.

The assets were made up of a 12km light rail track from Canberra City to Gungahlin, comprising 13 stops, 14 Light Rail Vehicles and one maintenance depot. Construction of Light Rail Stage 1 (City to Gungahlin) was completed and the light rail services commenced for public passenger operations on 20 April 2019. There were no existing assets of the grantor or operator being utilised in this Service Concession Arrangement.

The Territory makes a Monthly Services Payment (MSP) to the Contractor in reflection of their Operation and Maintenance (O&M) activities for Light Rail Stage 1. In accordance with the PPP, the total payable MSP is calculated using fixed and variable components. Variable MSP components such as 'availability and on-time running' and 'service quality' are calculated using the Operator's recorded performance against contractual key performance indicators. MSP calculations also reflect any relevant monthly abatements where key performance indicators fall below agreed contractual thresholds. A publicly available copy of the PPP can be viewed at https://www.tenders.act.gov.au/contract/view?id=130871.

Under the terms of the arrangement the Territory retains the significant residual interest in the assets at the end of the 20-year term.

In December 2020, CM refinanced the existing senior bank debt facility to a floating rate from 1 July 2021, and this interest rate is subject to market conditions. As a result of the refinancing, there were no changes to the MSP. However, the Territory has chosen to take on the interest rate risk associated with the refinancing, and therefore the Hedging Adjustment can affect the debt repayments. The Hedging Adjustment is the difference between:

- the floating rate payment associated with the refinancing; and
- fixed-rate interest payment.

As a result of the Hedging Adjustment, the interest rate on the financial liability for the month is effectively a variable interest rate. Therefore, there is no impact on the carrying amount of the Service Concession Arrangement – Financial Liability under AASB9.B5.4.5. This Hedging Adjustment is recognised in the profit and loss in the period in which the change occurs. The Territory receives the refinancing gain/loss as an adjustment to the MSP invoices on a quarterly basis, in which TCO has a loss of $1.9 million in 2025-26 ($3.3 million in 2024-25). The Territory recorded this adjustment to interest expense on the Service Concession Arrangement – Financial Liability.

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 15 SERVICE CONCESSION ARRANGEMENT – CONTINUED

CM is responsible for the management, recruitment, training and determining the adequate number of staff to run light rail operations. These staff ensure the timely delivery of public transport services to ACT residents and are all employed by CM. CM is solely responsible for all aspects of asset management activities for light rail vehicles, tracks and electrical equipment. It is also required to manage, at its own discretion, all aspects of an Operations Control Centre (OCC) on a continuous 24 hours per day, seven days a week basis.

The OCC centrally manages:

- operations;
- power supply management;
- communications, both internal and external;
- emergency Help Point response;
- security and access control;
- emergency response and management; and
- system alarm monitoring and fault response.

Termination Clauses

The Project Agreement (the Agreement) can be terminated under three types of termination scenarios set out in the Agreement, which are summarised below.

- Termination for convenience – the Territory may terminate the Agreement at any time by giving no less than 60 business days' notice in writing to CM. The Territory will be required to pay a termination for convenience payment. This amount is calculated as CM's outstanding project debt, plus the fair value of CM's equity, plus any other reasonable costs incurred by CM as a result of the termination.
- Force Majeure Termination Event - where the Agreement is terminated for force majeure (e.g. earthquake). The Territory will pay CM the general termination event payment. This amount is calculated as CM's outstanding project debt plus any other reasonable costs incurred by CM as a result of the termination, less any insurance proceeds.
- Termination for CM's default - The Territory will pay CM the fair market value of the Project determined by an independent expert or as a result of a re-tender of the contract to the market.

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 15 SERVICE CONCESSION ARRANGEMENT – CONTINUED

A default by CM under the Agreement will entitle the Territory to various remedies. The Territory, in most circumstances, is required to give CM an opportunity to remedy the default. If the default is not remedied within the required period, then it will escalate to a Major Default. The Agreement also states that a number of events are automatically classified as a Major Default (e.g. when there are persistent breaches or frequent service failures). In respect of Major Defaults, CM will be given the opportunity to develop a plan to remedy the default or a prevention plan to prevent the default from recurring. Where CM fails to remedy the Major Default within the required period or fails to comply with an agreed remedy or prevention plan, the Territory has the right to terminate the Agreement. Certain events of default are so severe that they are not subject to a remedy regime. They give rise to a Territory termination right immediately upon their occurrence (e.g. insolvency of CM). These events are called Default Termination Events.

Material Accounting Policies relating to Service Concession Arrangements

AASB 1059 *Service Concession Arrangements: Grantors* requires the application of a control-based approach to the recognition of assets. On initial recognition or reclassification, service concession assets are measured at current replacement cost. After initial recognition or reclassification, service concession assets are either measured at fair value (current replacement cost) using the revaluation model or at cost using the cost model. TCO measures light rail infrastructure assets, light rail plant and equipment and light rail building assets at fair value after initial recognition. The assets are depreciated on a straight-line basis over their useful lives, which are 30 years for light rail plant and equipment, and 50 years for light rail infrastructure assets and light rail building assets.

A service concession liability is recognised at the same time as recognising or reclassifying a service concession asset. The service concession liability is initially measured at the same amount as the asset, adjusted for any other consideration exchanged between TCO and the operator. Where an existing asset of TCO is reclassified as a service concession asset then TCO does not recognise a corresponding service concession liability for this asset, except in circumstances where additional consideration is provided for the asset by the operator. The service concession liability is initially recognised as a financial liability where TCO has a contractual obligation to make specified or determinable future payments to the operator for the construction, development, acquisition or upgrade of a service concession asset.

Subsequent to initial recognition or reclassification, the service concession financial liability accrues interest and is reduced when capital payments are made to the CM.

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 15 SERVICE CONCESSION ARRANGEMENT – CONTINUED

Light Rail Service Concession Arrangement

Service Concession Asset Reconciliation	Service Concession Arrangement Building Asset $'000	Service Concession Arrangement Plant and Equipment $'000	Service Concession Arrangement Infrastructure $'000	Total $'000
2025-26				
Carrying Amount at the Beginning of the Reporting Period	**107,700**	**162,676**	**609,772**	**880,148**
Revaluation Increment/(Decrement)	-	-	-	-
Depreciation	(2,457)	(5,789)	(13,911)	(22,157)
Carrying Amount at the End of the Reporting Period	**105,243**	**156,887**	**595,861**	**857,991**
2024-25				
Carrying Amount at the Beginning of the Reporting Period	**90,066**	**210,794**	**509,934**	**810,794**
Revaluation Increment/(Decrement)	19,643	(41,138)	111,212	89,717
Depreciation	(2,009)	(6,980)	(11,374)	(20,363)
Carrying Amount at the End of the Reporting Period	**107,700**	**162,676**	**609,772**	**880,148**

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 15 SERVICE CONCESSION ARRANGEMENT – CONTINUED

Service Concession Information in Other Financial Statement Notes

There are a number of notes within the financial statements that contain information about the Light Rail Service Concession Arrangement. These notes are as follows.

- Note 7 Supplies and Services – This note contains information about the operating costs that are being expensed in the Operating Statement as they are incurred.
- Note 8 Borrowing Costs – This note contains information about the interest costs related to the service concession finance liability.
- Note 13 Property, Plant and Equipment – This note contains information about the service concession asset reconciliations, carrying amount and depreciation of light rail service concession assets.
- Note 16 Borrowings and Note 20 Financial Instruments – These notes contain information about the amount of the service concession finance liability.
- Note 21 Commitments – This note contains information about the future operating costs which are currently disclosed as commitments.

Additional Assets and Liabilities Transfer

Since the commencement of Light Rail operation in 2019, there have been additions impacting the MSP such as;

- The construction of Sandford Street Light Rail Stop, which brings the overall total to 14 light rail stops between the City and Gungahlin;
- Expansion of the Light Rail Depot;
- Five new Light Rail Vehicles in addition to the fourteen existing Light Rail Vehicles retrofitted with onboard batteries.

TCO may receive the service concession assets and associated liabilities from iCBR for Light Rail Stage 2A, due for completion in 2027-28. The transfer of these assets and associated liabilities will only be finalised once a formal designation instrument is obtained.

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 16 BORROWINGS

Description and Material Accounting Policies relating to Borrowings

ACT Government Borrowings

Borrowings are financial liabilities. They are measured at amortised cost with any adjustments to the carrying amount being recorded in the Operating Statement. The associated interest expense is recognised in the reporting period in which it occurs.

In August 2019, TCO has signed a memorandum of understanding with former TCCS to obtain a Concessional Loan from the Zero Emissions Government Fund for the installation of solar panels at the bus depots. The loan is an interest free loan with the principal expected to be repaid by 2041.

Upon initial recognition the loan payable is measured at fair value plus transaction costs, with fair value being determined using a discounted cash flow analysis. Subsequent to initial recognition the loan payable is measured at amortised cost as it is held only to pay contractual cash flows and these cash flows are repayments of principal on specified dates.

Service Concession Arrangement Liability

Service Concession Arrangement Financial Liability represents amounts owed to CM for the construction of Light Rail service concession assets. A service concession liability is initially recognised as a financial liability where the grantor has a contractual obligation to make specified or determinable future payments to the operator for the construction, development, acquisition or upgrade of a service concession asset. The Service Concession Financial Liability is initially measured at the same amount as the asset, adjusted for any other consideration exchanged between the grantor and the operator. It is subsequently measured at amortised cost using the effective interest rate method.

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 16 BORROWINGS – CONTINUED

	2026 $'000	2025 $'000
Current Borrowings		
Service Concession Arrangement - Financial Liability [1]	14,112	13,287
ACT Government Borrowings	53	57
Total Current Borrowings	**14,165**	**13,344**
Non-Current Borrowings		
Service Concession Arrangement - Financial Liability [1]	231,497	245,609
ACT Government Borrowings	820	976
Total Non-Current Borrowings	**232,317**	**246,585**
Total Borrowings	**246,482**	**259,929**

1) The decrease ($13.3 million) is mainly due to payments made for the service concession arrangement liability during the year. For more information in relation to service concession arrangements refer to Note 15 - 'Service Concession Arrangement'.

Service Concession Arrangement - Financial Liability		
Service Concession Arrangement - Financial Liability commitments are payable as follows:		
Within one year	22,611	23,134
Later than one year but not later than five years	95,270	93,336
Later than five years	191,391	215,936
Minimum Service Concession Arrangement - Financial Liability Payments	**309,272**	**332,406**
Less: Future Finance Lease Charges	(63,663)	(73,510)
Amount Recognised as a Liability	**245,609**	**258,896**
Total Present Value of Minimum Service Concession Arrangement - Financial Liability Payments	**245,609**	**258,896**
The present value of the minimum Service Concession Arrangement - Financial Liability payments are as follows:		
Within one year	14,112	13,287
Later than one year but not later than five years	65,716	61,877
Later than five years	165,781	183,732
Total Present Value of Minimum Service Concession Arrangement - Financial Liability Payments	**245,609**	**258,896**

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 17 LEASE LIABILITIES

Description and Material Accounting Policies Relating to Lease Liabilities

Lease Liabilities are recognised in accordance with AASB 16 '*Leases*'. At the lease commencement date, TCO recognises a Right-of-Use asset and associated Lease Liability for the lease term. The lease term includes extension periods where TCO is reasonably certain that the option will be exercised.

The Right-of-Use asset is initially measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, and estimated cost of removal and restoration less any lease incentives received. After the commencement date, the Right-of-Use assets are measured at cost under the relevant class of asset.

The Right-of-Use asset is depreciated over the lease term on a straight-line basis and assessed for impairment annually.

The Lease Liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease or the incremental borrowing rate published by ACT Treasury when rates cannot be readily determined. Lease liabilities are subsequently measured at amortised cost using the effective interest rate method.

TCO's leases largely relate to motor vehicles and buses.

Motor Vehicles	TCO holds 15 motor vehicle leases (34 in 2025). The terms vary from two years to three years. These leases allow for extensions, but have no terms of renewal or purchase options, nor escalation clauses.
Buses	In 2022-23, TCO entered into one 10-year leasing arrangement for the supply of 26 diesel buses, and four 5-year hire purchases for the supply of 16 battery electric buses and charging equipment from suppliers. As of 30 June 2026, 16 zero-emissions buses, 6 charging units and supporting infrastructure and 13 diesel buses have been delivered, commissioned and are in operation in Transport Canberra's network.

Exemptions to Lease Accounting

TCO has elected to apply the exemptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets (below $10,000). TCO has also elected not to separate non-lease components, except for those leases where the information is readily available.

Where the non-lease components have been separated, they are recognised as an expense in the Operating Statement.

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 17 LEASE LIABILITIES - CONTINUED

	2026 $'000	2025 $'000
Current Lease Liabilities		
Lease Liabilities	1,965	1,998
Total Current Lease Liabilities	**1,965**	**1,998**
Non-Current Lease Liabilities		
Lease Liabilities	13,119	15,084
Total Non-Current Lease Liabilities	**13,119**	**15,084**
Total Lease Liabilities	**15,084**	**17,082**
Reconciliation of Lease Liabilities		
Opening Balance of Lease Liabilities	17,082	17,943
Add: Additional Lease Liabilities taken up in the Current Reporting Period	-	1,346
Less: Payments to reduce the Principal of the Liability	(3,004)	(2,685)
Add: Interest Expense	1,006	493
Less: Other Movement	-	(15)
Closing Balance of Lease Liabilities	**15,084**	**17,082**
Maturity Analysis for Lease Liabilities		
All amounts appearing in the following maturity analysis are shown on an undiscounted cash flow basis.		
Within one year	2,850	3,004
Later than one year but not later than five years	12,760	14,703
Later than five years	1,987	2,893
Total Lease Liabilities	**17,597**	**20,600**

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 18 EMPLOYEE BENEFITS

Description and Material Accounting Policies relating to Employee Benefits

Accrued Wages and Salaries

Accrued wages and salaries are measured at the amount that remains unpaid to employees at the end of the reporting period.

Annual and Long Service Leave

Annual and Long Service Leave, including applicable on-costs that are not expected to be wholly settled within 12 months after the end of the reporting period when the employees render the related service, are measured at the present value of estimated future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to future wage and salary levels, experience of employee departures and periods of service. At the end of each reporting period, the present value of the future Annual Leave and Long Service Leave payments is estimated using market yields on Commonwealth Government bonds with terms to maturity that match, as closely as possible, the estimated future cash flows.

Annual Leave liabilities have been estimated on the assumption that they will be wholly settled within three years. This financial year the rate used to estimate the present value of future:

- annual leave payments is 98.0% (99.5% in the previous financial year); and
- payments for long service leave is 95.5% (100.1% in the previous financial year).

The Long Service Leave liability is estimated with reference to future wages and salary levels, experience of employee departures, probability that leave will be taken in service and the minimum period of qualifying service. For employees with less than the required minimum period of qualifying service service (i.e. 7 years for employees under 55 years and 1 year for employees 55 years or older), the probability that employees will reach the required minimum period has been taken into account in estimating the provision for Long Service Leave and applicable on-costs.

The significant judgements and assumptions included in the estimation of Annual and Long Service Leave liabilities include an assessment by an actuary. This assessment is performed every 3 years, however, it may be performed more frequently if there is a significant change in the parameters underlying this assessment. The Australian Government Actuary performed this assessment in December 2024 and early 2025 with the next actuarial review to be undertaken by late 2027.

Annual Leave and Long Service Leave liabilities are classified as current liabilities in the Balance Sheet where there are no unconditional rights to defer the settlement of the liability for at least 12 months. Conditional long service leave liabilities are classified as non-current because TCO has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

Superannuation Liability

The employer superannuation benefits payable to TCO employees, who are members of the defined benefit CSS or PSS Schemes, are recognised in the financial statements of the Superannuation Provision Account.

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 18 EMPLOYEE BENEFITS – CONTINUED

	2026 $'000	2025 $'000
Current Employee Benefits		
Long Service Leave	20,235	20,212
Annual Leave	14,258	14,176
Accrued Wages and Salaries	8,929	7,502
Flextime	387	172
Total Current Employee Benefits	**43,809**	**42,062**
Non-Current Employee Benefits		
Long Service Leave	1,479	1,697
Total Non-Current Employee Benefits	**1,479**	**1,697**
Total Employee Benefits	**45,288**	**43,759**
Estimate of when Leave is Payable		
Estimated Amount Payable within 12 Months		
Annual Leave	7,534	7,065
Accrued Wages and Salaries	8,929	7,502
Long Service Leave	2,457	2,360
Flextime	387	172
Total Employee Benefits Payable within 12 Months	**19,307**	**17,099**
Estimated Amount Payable later than 12 Months		
Long Service Leave	19,257	19,549
Annual Leave	6,724	7,111
Total Employee Benefits Payable later than 12 Months	**25,981**	**26,660**
Total Employee Benefits	**45,288**	**43,759**

At 30 June 2026, TCO employed 1,095 full-time equivalent (FTE) staff (1,035 FTE at 30 June 2025). The increase in staffing is mainly due to support the provision of public transport services.

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 19 INCOME TAX EQUIVALENTS

Description and Material Accounting Policies Relating to Income Tax Equivalents

TCO falls within the 'National Tax Equivalents Regime' and is required to calculate income tax in accordance with the *Income Tax Assessment Act 1997* and *Income Tax Assessment Act 1936* under the requirements of Australian Accounting Standard AASB 112 *Income Taxes*.

TCO is exempt from paying federal income tax. However, TCO is required to calculate tax equivalents that would have been payable under the 'National Tax Equivalent Regime'.

	2026 $'000	2025 $'000
(a) Components of Income Tax Equivalents Expense/(Income)		
Deferred Tax Equivalents (Income) Relating to the Origination and Reversal of Temporary Differences	(14,299)	(13,585)
	(14,299)	**(13,585)**
(b) Income Tax Equivalents (Income)		
The prima facie income tax (income) on pre-tax accounting profit from operations reconciles to the income tax (income) in the financial statements as follows:		
Operating Result before Income Tax Equivalents	(47,234)	7,072
Income Tax Equivalents (Income) Calculated at 30%	(14,170)	2,122
	(14,170)	2,122
Non-Assessable Permanent Differences	(129)	(15,707)
	(14,299)	**(13,585)**

The tax rate used in the above reconciliation is the corporate tax rate of 30% payable by Australian corporate entities on taxable profits under Australian Taxation Law.

(c) Income Tax Recognised Directly in Equity		
Deferred Tax Asset from Revaluation of Assets	(77)	26,506
	(77)	**26,506**
(d) Recognised Deferred Tax Balances		
The following deferred tax balances have been recognised in the accounts:		
Liabilities on Temporary Differences	(290,076)	(295,979)
Assets Relating to:		
Inventories	37	137
Trade and Other Receivables	39	17
Accrued Expenditure	61	58
Employee Entitlements	12,166	11,960
Lease Liabilities	4,525	5,124
Borrowings	73,683	77,669
Tax Losses Carried Forward	107,592	94,664
Net Deferred Tax (Liabilities) [1]	**(91,973)**	**(106,350)**

1) The decrease in Deferred Tax Liabilities ($14.4 million) is mainly due to taxable temporary differences arising from an addition one light rail vehicle and the remaining retrofit works for the existing light rail vehicles during the financial year.

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

OTHER NOTES

NOTE 20 FINANCIAL INSTRUMENTS

Description and Material Accounting Policies relating to Financial Instruments

Details of the material accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset and financial liability are disclosed in the note to which they relate. In addition to these policies, the following are also accounting policies relating to financial assets and liabilities.

TCO's financial assets are subsequently measured at amortised cost on the basis of both:

(a) the business model for managing the financial assets being held to collect; and

(b) the contractual cash flow characteristics of the financial assets.

Financial assets and liabilities are measured at amortised cost.

Credit Risk

Credit risk is the risk that one party to a Financial Instrument will fail to discharge an obligation and cause the other party to incur a financial loss. TCO's credit risk is limited to the amount of the financial assets it holds net of any provision for impairment.

Credit risk is managed by TCO for cash at bank by holding bank balances with the ACT Government's appointed transactional bank (Westpac Banking Corporation). S&P Global Ratings has assigned a AA- issuer credit rating to Westpac. A 'AA-' credit rating means the obligor has a 'very strong to strong capacity to meet its financial commitments'.

TCO's credit risk is limited to the amount of the Receivables it holds net of any Allowance for Impairment. TCO manages its credit risk for Receivables by regularly monitoring its Receivables, through active follow up of outstanding Receivables and by issuing monthly statements to overdue accounts where required.

There has been no significant change in credit risk exposure since the last reporting period.

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 20 FINANCIAL INSTRUMENTS – CONTINUED

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

TCO is exposed to interest rate risk associated with its Service Concession Arrangement Financial Liability as it has a floating (variable) interest rate and TCO has not hedged this risk.

Sensitivity Analysis

A 'reasonably possible' sensitivity analysis of 1% movement of the annual interest rate on the interest expense has been performed in 2025-26 ($2.0 million) and 2024-25 ($2.2 million).

Liquidity Risk

Liquidity risk is the risk that TCO will encounter difficulties in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

TCO's liabilities relate to the purchases of Supplies and Services, Employee and Superannuation Expenses, and Lease Liabilities, including interest and principal repayments.

The main source of cash to pay these obligations is from service payments from the ACT Government, which are paid through CED on a fortnightly basis, and fares. TCO manages its liquidity risk through forecasting service payment requirements to enable the payment of anticipated obligations. Therefore, liquidity risk is assessed to be low and management of this risk has not changed since the last reporting period.

Carrying Amounts and Fair Value of Financial Assets and Liabilities

The carrying amount of financial assets and liabilities approximates its fair value.

	Note No.	Carrying Amount 2026 $'000	Carrying Amount 2025 $'000
Financial Assets			
Cash	10	18,583	12,732
Receivables	11	1,149	649
Total Financial Assets		**19,732**	**13,381**
Financial Liabilities			
Payables	14	906	1,726
Service Concession Arrangement - Financial Liability	16	245,609	258,896
ACT Government Borrowings	16	873	1,033
Total Financial Liabilities		**247,388**	**261,655**

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 20 FINANCIAL INSTRUMENTS – CONTINUED

The following tables sets out TCO's maturity analysis for Financial Liabilities as well as the exposure to interest rates, including the weighted average interest rates by maturity period. All amounts appearing in the following maturity analysis are shown on an undiscounted cash flow basis.

	Note No.	Weighted Average Interest Rate	Fixed Interest Maturing In: 1 Year or Less $'000	Over 1 Year to 5 Years $'000	Over 5 Years $'000	Non-Interest Bearing $'000	Total $'000
30 June 2026							
Financial Liabilities							
Payables	14		-	-	-	906	906
Service Concession Arrangement - Financial Liability	16	6.20%	22,611	95,270	191,391	-	309,272
ACT Government Borrowings	16		-	-	-	873	873
Total Financial Liabilities			**22,611**	**95,270**	**191,391**	**1,779**	**311,051**
30 June 2025							
Financial Liabilities							
Payables	14		-	-	-	1,726	1,726
Service Concession Arrangement - Financial Liability	16	6.20%	23,134	93,336	215,936	-	332,406
ACT Government Borrowings	16		-	-	-	1,033	1,033
Total Financial Liabilities			**23,134**	**93,336**	**215,936**	**2,759**	**335,165**

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
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NOTE 21 COMMITMENTS

Description and Material Accounting Policies Relating to Commitments

Commitments are a firm intention, but not a present obligation, at the end of the reporting period to incur future expenditure. As such, commitments do not constitute a liability. Commitments usually arise from contracts, but can arise from other things like placing an order.

Commitments are measured at their nominal value and are inclusive of GST.

	2026 $'000	2025 $'000
Capital Commitments - Property, Plant and Equipment		
Capital commitments contracted at reporting date that have not been recognised as liabilities are as follows.		
Payable:		
Within one year	4,924	33,189
Later than one year but not later than five years	-	7,558
Total Capital Commitments - Property, Plant and Equipment [1]	**4,924**	**40,747**

1) The decrease ($35.8 million) mainly reflects progressive delivery of the ticketing system and completion of the 90-bus contracts during the year.

Other Commitments

Other commitments contracted at reporting date that have not been recognised as liabilities are as follows.

Payable:		
Within one year	11,342	15,044
Later than one year but not later than five years	36,311	43,134
Later than five years	9,009	16,585
Total Other Commitments[2]	**56,662**	**74,763**

2) The decrease ($18.1 million) is mainly related to the progressive delivery of the ticketing system, diesel and electric bus lease contracts.

Non-Cancellable Low Value Lease Commitments

Non-cancellable low value lease commitments are payable as follows.

Payable:		
Within one year	263	91
Later than one year but not later than five years	134	137
Later than five years	21	25
Total Non-Cancellable Low Value Lease Commitments	**418**	**253**

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 21 COMMITMENTS – CONTINUED

Public Private Partnerships (PPP) Commitments

PPP Commitments Relating to Service Concession Arrangement

Service Concession Arrangement Commitments relate to the operational expenditure TCO is required to make to CM over the remaining term of the service concession arrangement. Commitments for the capital component have been recorded as a Service Concession Arrangement - Financial Liability in Note 16 Borrowings, and therefore no capital commitments have been disclosed in this commitment note.

For more information in relation to service concession arrangements refer to Note 15 - 'Service Concession Arrangement'.

	2026 $'000	2025 $'000
PPP Operational Commitments		
Payable:		
Within one year	37,909	40,245
Later than one year but not later than five years	170,869	162,934
Later than five years	384,686	430,530
Total PPP Operational Commitments	**593,464**	**633,709**

NOTE 22 CONTINGENT LIABILITIES

Material Accounting Policies Relating to Contingent Liabilities

Contingent liabilities are not recognised in the Balance Sheet due to the uncertainty regarding any possible amount or timing of any underlying claim or obligation. Instead they are disclosed and, if measurable, the best estimate is disclosed.

Legal Claims

At 30 June 2026, TCO has no legal claims (2 legal claims as at 30 June 2025) and therefore has no contingent liabilities.

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 23 RELATED PARTY DISCLOSURES

Description and Material Accounting Policies relating to Related Party Disclosures

A related party is a person that controls or has significant influence over the reporting entity or is a member of the Key Management Personnel (KMP) of the reporting entity or its parent entity and includes their close family members and entities in which the KMP and/or their close family members individually or jointly have controlling interests.

KMP are those persons having authority and responsibility for planning, directing and controlling the activities of TCO, directly or indirectly.

KMP are the Portfolio Minister, Director-General of CED and certain members of the Senior Management Team.

The Head of Service and the ACT Executive comprising the Cabinet Ministers are KMP of the ACT Government and therefore related parties of TCO.

This note does not include typical citizen transactions between KMP and TCO that occur on terms and conditions no different to those applying to the general public.

Controlling Entity

TCO is an ACT Government controlled entity.

Key Management Personnel

(i) Compensation of Key Management Personnel

Compensation of all Cabinet Ministers, including the Portfolio Minister, is disclosed in the note on related party disclosures included in the ACT Executive's Financial Statements for the year ended 30 June 2026.

Compensation of the Head of Service is included in the note on related party disclosures included in CMTEDD's Financial Statements for the year ended 30 June 2026.

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 23 RELATED PARTY DISCLOSURES - CONTINUED

Key Management Personnel – Continued

KMP of TCO are employees of CED and are paid compensation by CED. Further details of compensation for these KMP are contained in the CED Financial Statements for the year ended 30 June 2026. There were no other transactions between TCO and KMP or parties related to KMP.

Transactions with other ACT Government Controlled Entities

TCO has entered into transactions with other ACT Government Entities in 2024-25 and 2025-26 consistent with day-to-day business operations provided under varying terms and conditions. The notes to the Financial Statements provide the details of transactions with other ACT Government Entities.

	2026 $'000	2025 $'000
Revenue		
Contributions Revenue [1]	259,136	298,664
Other Revenue	108	665
Expenses		
Employee Expenses [2]	15,901	13,905
Supplies and Services [3]	7,521	10,134
Assets		
Receivables	543	3,212
Liabilities		
Interest-Bearing Liabilities [4]	873	1,033
Deferred Tax Liabilities [5]	91,973	106,350

Description of Material Transactions included within the balance:

1) Refer to Note 5 – Contributions Income.

2) TCO paid $12.5 million to the ACT Revenue Office for payroll tax and $2.8 million to ACTIA for workers' compensation insurance premium.

3) TCO paid $2.2 million to ACTIA for insurance premiums, services received free of charge included $1.9 million from Digital Canberra for ICT services, $1.4 million from SS for finance, human resources and printing services, $0.7 million from JACSD for legal services, and $0.1 million from Infrastructure Canberra for property management services.

4) TCO received a loan from CED for the installation of solar panels at the bus depots.

5) Refer to Note 19(d) – Deferred Tax Liabilities.

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 24 BUDGETARY REPORTING

Significant Accounting Judgements and Estimates – Budgetary Reporting

Original Budget refers to the amounts presented to the Legislative Assembly in the original budget financial statements in respect of the reporting period (2025-26 Budget Statements). These amounts have not been adjusted to reflect supplementary appropriation or appropriation instruments.

The following are brief explanations of major line item variances between budget estimates and actual outcomes. Variances are considered to be major variances if both of the following criteria are met.

- The line item is a significant line item: that is where either the line item actual amount accounts for more than 10% of the relevant associated actual category amount (Income, Expenses, Assets, Liabilities or Equity totals) or more than 10% of the sub-element (e.g. Current Liabilities or Receipts from Operating Activities totals) of the financial statements.
- The variances (Original Budget to Actual) are greater than plus (+) or minus (-) 10% and $15 million for the financial statement line item.

Balance Sheet Line Items	Variance Explanation	Actual 2026 $'000	Original Budget 2026 $'000	Variance $'000	Variance %
Asset Revaluation Surplus	1	332,241	244,146	88,095	36

Variance Explanation

1. The higher than budgeted result is mainly due to higher opening balances resulting from asset revaluation in the previous year.

Transport Canberra Operations
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2026

NOTE 24 BUDGETARY REPORTING – CONTINUED

Statement of Cash Flows Line Items	Explanation	2026 $'000	Original 2026 $'000	Variance $'000	Variance %
Contributions Receipts	1	256,600	231,445	25,155	11
Purchase of Capital Works in Progress	2	25,786	44,276	(18,490)	(42)
Capital Payments from CED and former TCCS	2	44,064	63,824	(19,760)	(31)

Variance Explanation

1. The higher than budgeted Contributions Receipts is mainly due to additional funding received to offset the reduction in public transport fares, due to the above-mentioned public transport fare initiatives in 2025-26 and timing of cash received from Treasury.
2. The lower than budgeted Purchase of Capital Works in Progress and Capital Payments from CED and former TCCS are mainly due to delay in procurement process associated with the *Improved Bus Services – More Electric Buses to Grow the Bus Network*.

C3 Capital works

Table C3.1 – Capital Works projects, values and expenditure 2025–26

Project	Original completion date	Revised completion date	Original project value ($'000)	Revised project value ($'000)	Prior year expenditure ($'000)	2025–26 expenditure ($'000)	Total spend to date ($'000)
New capital works							
Garden City Cycleway Stage 2 (ACT Contribution)	Jun-29	Jun-29	6,361	6,361	-	56	56
Garden City Cycleway Stage 2 (Commonwealth Contribution)	Jun-29	Jun-29	5,000	5,000	-	47	47
Better and safer roads – Local roads safety upgrades (Commonwealth Contribution)	Jun-27	Jun-27	1,245	1,245	-	50	50
Better and safer roads – Local roads safety upgrades (ACT Contribution)	Jun-27	Jun-27	1,245	1,245	-	34	34
Improved bus services –More electric buses to grow the bus network	Jun-28	Jun-28	31,500	31,500	-	-	-
Climate action – Electrification of Public Housing	Jun-28	Jun-28	18,954	18,954	-	2,502	2,502
Better and safer roads –Gundaroo Drive Duplication Stage 3 (ACT Contribution)	Dec-26	Dec-26	358	358	-	76	76
Better and safer roads –Gundaroo Drive Duplication Stage 3 (Commonwealth Contribution)	Dec-26	Dec-26	3,500	3,500	-	542	542
Modernising our traffic and parking systems	Jun-28	Jun-28	3,782	3,782	-	1,645	1,645
Strengthening emergency services – Early works for the Casey Emergency Services Station	Jun-27	Jun-27	481	481	-	-	-
Investing in public services – strengthening Access Canberra's service delivery	Jun-26	Jun-27	593	593	-	364	364

Project	Original completion date	Revised completion date	Original project value ($'000)	Revised project value ($'000)	Prior year expenditure ($'000)	2025–26 expenditure ($'000)	Total spend to date ($'000)
Better community infrastructure – Public toilet upgrades (Commonwealth contribution)	Jun-26	Jun-27	700	700	-	66	66
Better community infrastructure – Playground upgrades (Commonwealth contribution)	Jun-26	Jun-27	800	800	-	83	83
Canberra Avenue Road Safety	Jun-27	Jun-27	500	500	-	112	112
Works in progress							
Better transport infrastructure – Delivering Light Rail Stage 2A	Jun-28	Jun-28	3,676	3,676	470	722	1,192
Better transport infrastructure – Supporting Active Travel	Jun-27	Jun-27	24,660	24,660	17,042	3,774	20,816
ACT NoWaste Food Organics and Garden Organics (FOGO) Facility	Dec-26	Dec-26	3,545	25	2	-	2
ACT Material Recovery Facility	Jun-27	Jun-27	23,200	-	10	-	10
Better connecting Belconnen and Gungahlin	Jun-25	Jun-27	44,530	55,930	55,366	492	55,858
Parkes Way Early Works	Jun-27	Jun-27	5,000	5,000	2,125	89	2,214
Goliath Court Flood Mitigation	Feb-25	Feb-25	1,220	2,222	2,533	19	2,552
Upgrades for Pialligo	Jun-25	Jun-25	4,000	8,542	8,545	675	9,220
Improving local intersection safety	Jun-25	Jun-25	7,531	7,531	7,645	466	8,111
Strengthening flood resilience	Jun-28	Jun-28	11,844	11,454	867	883	1,750
Increased road surfacing improvements across Canberra	Jun-27	Jun-27	-	-	17,791	7,953	25,744
Improving road and intersection safety	Jun-27	Jun-27	2,812	2,812	8	-	8
Road Safety Program Component	Jun-27	Jun-27	10,000	10,000	3,011	5,404	8,415
Athllon Drive Duplication	Jun-27	Jun-27	13,826	-	-	-	-

Project	Original completion date	Revised completion date	Original project value ($'000)	Revised project value ($'000)	Prior year expenditure ($'000)	2025–26 expenditure ($'000)	Total spend to date ($'000)
Improving local roads and community infrastructure	Jun-27	Jun-27	7,181	12,274	20,614	111	20,725
Road Safety Improvements	Jun-26	Jun-26	12,000	13,886	13,102	-	13,102
Upgrading an intersection on Owen Dixon Drive	Jun-26	Jun-26	10,000	10,000	9,704	270	9,974
Improving our active travel networks and projects	Aug-23	Aug-23	4,689	4,689	3,188	11	3,199
Stormwater infrastructure improvements	Jun-28	Jun-28	5,376	5,621	530	245	775
Bridge Renewal Program	Jun-26	Jun-26	4,618	4,618	2,519	-	2,519
Upgrading roads in south-west Canberra	Jun-27	Jun-27	1,600	1,077	653	458	1,111
Implementing the Urban Forest Bill 2022	Jan-25	Jan-25	4,348	4,348	3,206	-	3,206
Expanding Healthy Waterways	Mar-27	Mar-27	14,356	14,356	11,895	698	12,593
Investing in public services – Upgrading Access Canberra's IT systems	Jun-26	Jun-26	3,517	3,517	2,522	979	3,501
Better transport infrastructure – Improving our bus network	Dec-26	Dec-26	120,945	120,945	87,895	18,342	106,237
Black Spot Projects (Commonwealth Contribution)	Jun-28	Jun-28	-	-	6,029	-	6,029
Road Investment Component (Commonwealth Contribution)	Jun-28	Jun-28	-	-	326	-	326
Safer Local Roads and Infrastructure Program (Commonwealth Contribution)	Jun-28	Jun-28	-	-	5	-	5
Better community infrastructure – More support for libraries	Jun-26	Jun-26	-	-	8,535	2,212	10,747
Better Services – Improved asset management	Jan-24	Jan-24	1,705	1,705	1,384	-	1,384

Project	Original completion date	Revised completion date	Original project value ($'000)	Revised project value ($'000)	Prior year expenditure ($'000)	2025–26 expenditure ($'000)	Total spend to date ($'000)
Building a better city – Rehabilitating landfill sites	Jun-27	Jun-27	34,845	32,617	27,732	335	28,067
More services for our suburbs – Southern Memorial Park Detailed Design	Dec-26	Dec-26	921	2,571	2,226	69	2,295
Better buses to support the new bus network	Jun-30	Jun-30	37,510	8,606	1,229	577	1,806
Improving stormwater networks	Jun-25	Jun-27	19,061	19,061	18,682	103	18,785
Making our roads safer while keeping Canberra moving	Jun-25	Jun-25	29,696	2,000	2,912	147	3,059
Delivering a smart technology ticketing system for Canberra's integrated public transport system	Mar-25	Jun-27	37,946	25,403	22,240	1,811	24,051
Improving water management infrastructure	Oct-23	Oct-23	500	500	446	-	446
Protecting grasslands and conservation areas	Jun-26	Jun-26	798	798	743	2	745
Woden Bus Depot Augmentation	Jun-25	Jun-25	25,775	55,810	54,280	537	54,817
Intersection upgrades – Kuringa Drive intersection with Owen Dixon (ACT Contribution)	Nov-24	Jun-27	3,750	2,818	2,120	1	2,121
Protecting Canberra's unique environment – Franklin Nature Reserve enhancement	Jun-26	Jun-27	3,055	3,055	2,535	471	3,006
Mawson stormwater and placemaking improvements – construction (ACT Contribution)	Aug-24	Aug-24	1,010	1,010	842	-	842
Mawson stormwater and placemaking improvements – construction (Commonwealth Contribution)	Jun-26	Jun-26	2,120	3,182	1,749	-	1,749
Improving traffic flows on Parkes Way	Jun-27	Jun-27	4,006	4,006	2,120	-	2,120

Project	Original completion date	Revised completion date	Original project value ($'000)	Revised project value ($'000)	Prior year expenditure ($'000)	2025–26 expenditure ($'000)	Total spend to date ($'000)
Casey Community Recreation Park	Aug-24	Aug-24	3,000	3,902	3,823	31	3,854
Upgrades to the Stormwater network	May-24	May-24	6,580	8,927	9,026	98	9,124
Connected and sustainable Canberra - Active travel investments	Jun-27	Jun-27	10,870	13,499	12,118	731	12,849
Protecting Canberra's unique environment - Growing our urban forest	Jun-26	Jun-26	704	704	-	-	-
ACT NoWaste weighbridge system replacement	Jun-26	Jun-26	351	351	333	12	345
Big Canberra Battery – Stream 2	Jun-26	Jun-27	-	692	407	198	605
Commonwealth Grant – Black Spot Projects	Jun-27	Jun-27	2,000	2,300	193	253	446
Better community infrastructure – Delivering a destination playground in the inner north	Jun-27	Jun-27	2,600	5,621	4,491	637	5,128
Better community infrastructure – Improving Tidbinbilla and Canberra Nature Park	Jun-26	Jun-27	1,033	1,074	872	191	1,063
Implementing planning reforms	Jun-26	Jun-27	4,840	4,840	2,349	-	2,349
Planning for a new Northside green waste facility	Jun-29	Jun-29	8,798	8,798	186	8,946	9,132
Protecting Canberra's unique environment – Connecting Nature and People	Jun-26	Jun-26	252	252	227	1	228
Climate action – Supporting the transition to a zero-emissions bus fleet	Jun-28	Jun-28	6,225	5,988	2,272	1,228	3,500
Improving security safety on public transport	Jun-26	Jun-27	2,500	2,500	8	146	154

Project	Original completion date	Revised completion date	Original project value ($'000)	Revised project value ($'000)	Prior year expenditure ($'000)	2025–26 expenditure ($'000)	Total spend to date ($'000)
Better transport infrastructure – Improving Inclusive Transport Services	Jun-26	Jun-27	290	290	16	213	229
Better community infrastructure – Gungahlin Community Centre - design and construction	Jun-26	Jun-27	26,247	3,824	3,339	-	3,339
Better community infrastructure – Increased site works for Watson Section 76	Jun-26	Jun-27	7,531	7,531	3,328	3,406	6,734
Better community infrastructure – Making Canberra a premier mountain bike destination	Jun-26	Jun-27	1,835	1,835	290	167	457
Better community infrastructure – Yerrabi District Park Upgrades	May-25	May-25	3,271	3,271	3,077	193	3,270
Trade waste system upgrade	Aug-25	Aug-25	346	346	55	207	262
Managing recycling and fire with infrastructure upgrades at the Mitchell Resource Management Centre	Jun-26	Jun-26	156	156	23	135	158
Justice reform – Implementation of the Magistrates Court (Infringement Notices) Amendment Act 2020 and Court Fee parity	Jun-26	Jun-26	214	214	2	-	2
Road Safety Capital Upgrades	Jun-29	Jun-29	2,717	2,717	552	434	986
Licensing system for professional engineers	Jun-27	Jun-27	3,141	1,593	1,548	1,368	2,916
Driver licence medical assessments	Jun-27	Jun-27	2,056	1,409	646	717	1,363
Improving Visitor Experience at Tidbinbilla and Canberra Nature Parks	Jun-26	Jun-27	3,827	3,827	21	1,746	1,767
Major road rehabilitation	Jun-30	Jun-30	54,060	59,766	2,646	31,106	33,752

Project	Original completion date	Revised completion date	Original project value ($'000)	Revised project value ($'000)	Prior year expenditure ($'000)	2025–26 expenditure ($'000)	Total spend to date ($'000)
Modernising our traffic and parking systems – Speeding and seatbelt detection capability	Jun-29	Jun-29	1,380	1,260	-	145	145
Delivering Heritage reforms, database and website	Jun-26	Jun-26	1,814	1,814	1,080	-	1,080
Bushfire Safety Risk Reduction	Jun-26	Jun-27	1,395	1,395	-	506	506
Designing the Molonglo Parkway-Drive Connector (ACT Contribution)	Jun-26	Jun-27	175	175	-	15	15
Designing the Molonglo Parkway-Drive Connector (Commonwealth Contribution)	Jun-26	Jun-27	425	425	1	10	11
Climate action – Continuing the Zero Emissions Vehicle Strategy	Jun-27	Jun-27	3,650	3,650	-	1,426	1,426
Safeguarding the Territory's water resources – Continuing the Water Efficiency Program	Jun-26	Jun-26	478	478	-	555	555
Asset Renewal Program							
TCCS 2024–25 Asset Renewal Program	Jun-26	Jun-27	-	-	23,573	7,748	31,321
Reducing Reliance on Potable Water to Irrigate Grass	Oct-23	Oct-23	1,181	1,181	2,279	-	2,279
Accessible Bus Stops	Aug-23	Aug-23	292	292	4,837	-	4,837
Charnwood Group Centre Tree and Pavement Improvements	Jun-26	Jun-26	362	362	-	-	-
TCCS CW 13 Charnwood Shopping Centre Pavement Improvements (TCCS – C0003)	Jun-24	Jun-24	966	966	1,400	-	1,400
Connected and Sustainable Canberra – Active travel investments – Cycle path maintenance	Jun-27	Jun-27	6,500	6,500	3,759	1	3,760

Project	Original completion date	Revised completion date	Original project value ($'000)	Revised project value ($'000)	Prior year expenditure ($'000)	2025–26 expenditure ($'000)	Total spend to date ($'000)
Connected and Sustainable Canberra – Active travel investments – Age Friendly suburbs	Jun-27	Jun-27	6,500	6,500	1,763	23	1,786
Better Community Infrastructure – Tuggeranong Foreshore improvements	Oct-24	Oct-24	5,034	5,034	4,721	-4	4,717
Better Community Infrastructure – Better local shops	Jun-29	Jun-29	12,279	12,279	19,950	465	20,415
Better community infrastructure – Better play spaces and dog parks	Jun-25	Jun-25	5,704	5,704	5,959	115	6,074
Road Median Improvement	Sep-23	Sep-23	519	519	2,175	-	2,175
Guide Signs and Safety Barriers Renewal	Jun-26	Jun-27	600	600	33	577	610
Sport and Recreation Priority Projects	Jun-26	Jun-26	1,756	1,965	259	1,549	1,808
TCCS Territory Radio Network replacement	Jun-28	Jun-28	6,153	4,153	131	76	207
Interchange Physical Security Upgrade	Jun-26	Jun-26	400	400	203	194	397
Yarralumla Nursery Improvements	Jun-26	Jun-27	208	208	67	148	215
Active Travel Infrastructure Program	Jun-29	Jun-29	1,000	1,000	-	-	-
Improved bus services – bus fleet repairs and maintenance	Jun-29	Jun-30	6,400	6,400	-	1,335	1,335
TCCS 2025–26 Asset Renewal Program	Jun-26	Jun-27	-	-	-	4,837	4,837
Better community infrastructure – Playground upgrades	Jun-28	Jun-28	7,200	5,660	-	320	320
Better and safer roads – Local roads safety upgrades	Jun-26	Jun-27	1,000	700	-	211	211
Improved bus services – Improving safety on public transport	Jun-27	Jun-27	500	500	-	76	76
Supporting local sport – Skate park upgrades	Jun-27	Jun-27	1,285	1,285	-	272	272

Project	Original completion date	Revised completion date	Original project value ($'000)	Revised project value ($'000)	Prior year expenditure ($'000)	2025–26 expenditure ($'000)	Total spend to date ($'000)
Better community infrastructure – Public toilet upgrades	Jun-27	Jun-27	1,400	1,400	-	125	125
Better community infrastructure – Better local shopping centres	Jun-29	Jun-29	9,650	5,750	-	412	412
Active travel infrastructure and maintenance program	Jun-29	Jun-29	28,200	18,580	-	888	888
Supporting local sports – Sportsgrounds upgrades	Jun-28	Jun-28	936	5,285	-	936	936
Active Travel ARP Central Pool	Ongoing	Ongoing	10,000	10,000	-	230	230
Complete projects							
EPSDD 2024–25 Asset Renewal Program	Jun-25	Jun-26	-	-	2,013	861	2,874
EPSDD 2025–26 Asset Renewal Program	Jun-26	Jun-26	-	-	-	1,747	1,747
Zero Emissions Vehicles Strategy	Jun-26	Jun-26	2,360	2,360	1,293	1,068	2,361
Better community infrastructure – Upgrades to Hawker District Playing Fields	Jun-26	Jun-26	1,384	1,384	1,382	-	1,382
Better Transport Infrastructure – Increased road surfacing improvements across Canberra	Ongoing	Ongoing	13,500	13,500	10,088	3,546	13,634
Connected and Sustainable Canberra – Upgrades for Pialligo	Jun-25	Jun-26	1,000	1,000	1,053	1	1,054
Household Organics Waste Collections	Jun-26	Jun-27	165	165	150	11	161
Trade Waste Licence and Underground Tank Removal	Aug-25	Jun-26	1,379	1,379	748	631	1,379

Table C3.2 – Reconciliation of Total Current Year Financing

Reconciliation of Total Current Year Financing	$'000
Original Capital Works Financing	265,528
Less: Capital Injection not drawn in 2025-26	-93,000
Capital Injection from Government per Cash Flow Statement	**172,528**

Table C3.3 – Reconciliation of Total Current Year Actual Expenditure – Against Financing

Reconciliation of Total Current Year Actual Expenditure - Against Financing	$'000
Total Current Year Capital Works Program Expenditure	136,653
Add: Expenditure for Capital Injection Projects outside Capital Works Program	11,189
Add: Expenditure adjustment for other movements	28,270
Less: Current Year Accruals	- 3,585
Capital Injection from Government per Cash Flow Statement	**172,528**

C4 Asset Management

Strategic Asset Management

During 2025–26, CED made significant progress in strengthening strategic asset management through establishment of the Strategic Asset Management Working Group and development of a draft Directorate-wide Strategic Asset Management Framework. Aligned with whole-of-government requirements and ISO 55000 principles, the Framework will provide a consistent approach to asset management across the Directorate. Once endorsed, the Framework will initiate a phased improvement program focused on governance, asset data quality, lifecycle planning, risk management and executive reporting.

Assets Managed

CED managed assets with a total value of $13.978 billion as at 30 June 2026.

Table C4.1 – Assets managed 2025–26

Asset	Value ($'000)
Land – Asbestos Insulation Scheme	1,047
Property Plant & Equipment	13,813,962
Intangible assets	33,532
Biological assets	60,870
Territory Land	68,946
Total	**13,978,357**

During 2025–26, the following assets were added to the CED asset register:

- Primarily infrastructure assets, including roads, fences, bridges, streetlights, traffic signals, paths and pavements, stormwater systems, and related infrastructure.
- Heritage and community assets, including waste bins, shelters, grounds and site improvements, and similar assets.
- Plant and equipment assets, including EV chargers, fleet vehicles, machinery, and more.

Asset Maintenance

Maintainable assets of CED comprise of "Property Plant and Equipment assets" and "Biological Assets", and are valued at $13.874 billion for 2025–26.

The expenditure on repairs and maintenance was $64.608 million in 2025–26, which represented 0.5% of the Directorate's asset value.

C5 Government Contracting

The online ACT Government Contracts Register records contracts with suppliers of goods, services and works with a value of $25,000 or more.

A full search of the Directorate's contracts notified with an execution date from 1 July 2025 to 30 June 2026 can be made on the Tenders ACT website.

Compliance with *Government Procurement Act 2001*

CED undertakes procurements in accordance with its accreditations under the Procurement Accreditation Program.

The services of Procurement ACT are obtained for assistance with non-construction procurements that are larger and higher risk.

CED complied with the Government Procurement Act during 2025–26.

Secure Local Jobs Code

There were no exemptions to report during the reporting period.

Aboriginal and Torres Strait Islander Procurement Policy

The Directorate reports on the Aboriginal and Torres Strait Islander Procurement Policy against 3 performance measures, as shown below.

Table C5.1 – Aboriginal and Torres Strait Islander Procurement Policy performance measures

Performance measure	Result
The number of unique Aboriginal and Torres Strait Islander enterprises that responded to the reporting entity's tender and quotation opportunities	5
The number of unique Aboriginal and Torres Strait Islander enterprises attributed a value of addressable spend in the financial year	48
Percentage of the financial year's addressable spend which is spent with Aboriginal and Torres Strait Islander enterprises	2.87%

C6A Statement of Performance – City and Environment Directorate

City and Environment Directorate

Statement of Performance

For the year ended 30 June 2026

ACT Audit Office

AUDITOR-GENERAL AN OFFICER OF THE ACT LEGISLATIVE ASSEMBLY

INDEPENDENT LIMITED ASSURANCE REPORT

To the Members of the ACT Legislative Assembly

Conclusion

I have undertaken a limited assurance engagement on the statement of performance of the City and Environment Directorate (Directorate) for the year ended 30 June 2026.

Based on the procedures performed and evidence obtained, nothing has come to my attention to indicate the results of the accountability indicators reported in the statement of performance for the year ended 30 June 2026 are not in agreement with the Directorate's records or do not fairly reflect, in all material respects, the performance of the Directorate, in accordance with the *Financial Management Act 1996*.

Basis for conclusion

I have conducted the engagement in accordance with the Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*. My responsibilities under the standard and legislation are described in the 'Auditor-General's responsibilities' section of this report.

I have complied with the independence and other relevant ethical requirements relating to assurance engagements, and the ACT Audit Office applies Australian Auditing Standard ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements.*

I believe that sufficient and appropriate evidence was obtained to provide a basis for my conclusion.

The Directorate's responsibilities for the statement of performance

The Director-General is responsible for:

- preparing and fairly presenting the statement of performance in accordance with the *Financial Management Act 1996* and *Financial Management (Statement of Performance Scrutiny) Guidelines 2019*; and
- determining the internal controls necessary for the preparation and fair presentation of the statement of performance so that the results of accountability indicators and accompanying information are free from material misstatements, whether due to error or fraud.

Auditor-General's responsibilities

Under the *Financial Management Act 1996* and *Financial Management (Statement of Performance Scrutiny) Guidelines 2019*, the Auditor-General is responsible for issuing a limited assurance report on the statement of performance of the Directorate.

My objective is to provide limited assurance on whether anything has come to my attention that indicates the results of the accountability indicators reported in the statement of performance are not in agreement with the Directorate's records or do not fairly reflect, in all material respects, the performance of the Directorate, in accordance with the *Financial Management Act 1996*.

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In a limited assurance engagement, I perform procedures such as making inquiries with representatives of the Directorate, performing analytical review procedures and examining selected evidence supporting the results of accountability indicators. The procedures used depend on my judgement, including the assessment of the risks of material misstatement of the results reported for the accountability indicators.

Limitations on the scope

The procedures performed in a limited assurance engagement are less in extent than those required in a reasonable assurance engagement and consequently the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, I do not express a reasonable assurance opinion on the statement of performance.

This limited assurance engagement does not provide assurance on the:

- relevance or appropriateness of the accountability indicators reported in the statement of performance or the related performance targets;
- accuracy of explanations provided for variations between actual and targeted performance due to the often subjective nature of such explanations; or
- adequacy of controls implemented by the Directorate.

Clea Lewis
Assistant Auditor-General, Financial Audit
30 September 2026

City and Environment Directorate
Statement of Performance
For the Year Ended 30 June 2026

Statement of Responsibility

In my opinion, the Statement of Performance is in agreement with the directorate's records and fairly reflects the service performance of the directorate in providing each class of outputs for the year ended 30 June 2026, and also fairly reflects the judgements exercised in preparing them.

Dave Peffer
Director-General
City and Environment Directorate
29 September 2026

2025–26 Statement of Performance

The following Statement of Performance sets out the performance of the City and Environment Directorate (CED) against the accountability indicator targets set during the 2025-26 Budget Process.

When reading the following Statement of Performance please note:

- All tables in this report should be read in conjunction with the accompanying notes;
- All variances are rounded to the nearest whole number;
- All variances are calculated before rounding; and
- The variance is based on the actual results to 30 June 2026 compared to the targeted result for the same period.

The Accountability Indicators were examined by the ACT Audit Office in accordance with the *Financial Management Act 1996*. The Total Cost and Controlled Recurrent Payments measures were not examined by the ACT Audit Office in accordance with the *Financial Management (Statement of Performance Scrutiny) Guidelines 2019*.

Output Class 1: Access Canberra

Output 1.1: Access Canberra

Through the Access Canberra output the Directorate contributes to the economic growth and vibrancy of the ACT community and helps protect its citizens and the community through compliance, licensing and regulation.

The Directorate will deliver this output by:

- undertaking its regulatory activities to protect the community and contribute to the Territory's economic growth through risk-based compliance, licensing and regulation;
- providing services and collecting revenue on behalf of other directorates; and
- providing customer services to businesses, community groups and individuals through a 'no wrong door' approach.

Table C6.1 – Accountability Indicators Output 1.1

	2025–26 Targets	2025–26 Results	Variance %	Note
Total Cost ($'000)	**145,736**	**129,555**	**(11%)**	**1**
Controlled Recurrent Payments ($'000)	**108,593**	**100,299**	**(8%)**	
a. Access Canberra proactively communicates its priorities for risk based regulation[a]				
– Statutory authorities have a public statement of expectation	100%	100%	0%	
– Regulatory activities undertaken in line with the public statements are reported annually	100%	100%	0%	
b. Percentage of the community who find it easy to interact with Access Canberra person to person[b]				
– Percentage of individuals that find it easy to interact with Access Canberra person to person	90%	89%	(1%)	
– Percentage of business clients that find it easy to interact with Access Canberra person to person	90%	91%	1%	
c. Percentage of the community who find it easy to interact with Access Canberra online[c]				
– Percentage of individuals that find it easy to interact with Access Canberra online	85%	87%	2%	
– Percentage of business clients that find it easy to interact with Access Canberra online	85%	89%	5%	
d. Percentage of occupational licences issued within the published target timeframe	90%	92%	2%	
e. Reduction of regulatory burden on business by undertaking risk-based coordinated inspection activities[d]	80%	82%	3%	
f. Regulatory and process reform initiatives[e]	2	2	0%	

Notes:

a. This indicator ensures transparency on how Access Canberra will undertake its regulatory responsibilities in a risk-based manner. Statements will be published on the Access Canberra website.

b. The result is determined by responses of 'easy' and 'very easy' to the independent annual survey of the community who completed a person-to-person interaction with Access Canberra within the last 12 months.

c. The result is determined by responses of 'easy' and 'very easy' to the independent annual survey of the community who completed an online interaction with Access Canberra within the last 12 months.

d. This accountability indicator is an annual measure of the number of inspection activities focusing on more than one regulatory obligation for business. Coordinated inspection activities reduce the regulatory burden on businesses by making inspections simpler, faster and less frequent.

e. This accountability indicator is assessed by accounting for the delivery of specific activities and reforms to support the night-time economy and regulatory quality in the ACT.

Explanation of Material Variance (+/- 10%)

1. Lower than targeted result is mainly due to procurement and recruitment delays associated with projects.

Output 1.2: Library Services

Provision of library services to the community through Libraries ACT's branches, home library service, and the ACT Virtual Library.

Table C6.2 – Accountability Indicators Output 1.2

	2025–26 Targets	2025–26 Results	Variance %	Note
Total Cost ($'000)	**19,818**	**19,441**	**(2%)**	
Controlled Recurrent Payments ($'000)	**14,658**	**13,617**	**(7%)**	
a. Percentage of the population who are active library members[a]	20%	20%	0%	
b. Customer satisfaction with library services[b]	95%	90%	(5%)	
c. Direct cost of public library services per capita[a]	$35.50	$33.87	(5%)	
d. Percentage of physical collection items purchased in the last five years	60%	60%	0%	

Notes:

a. The 2025–26 target is based on an estimated ACT population of 488,100.

b. Customer satisfaction is measured from responses to an annual survey undertaken by an external provider on behalf of the Directorate. The survey seeks customer views on the Directorate's core service delivery responsibilities including library services, infrastructure services (including roads and community paths), waste collection, parks and open spaces, and public transport. The response is collected through an online panel methodology over a period of three weeks. The respondents are asked to rate services across four ratings which were 'Very Satisfied', 'Satisfied', 'Dissatisfied' and 'Very Dissatisfied'. Minimum sample size for this survey is 1,000. The survey includes public libraries only and does not include the Virtual Libraries.

Explanation of Material Variance (+/- 10%)

Nil.

Output Class 2: City Services

Output 2.1: Roads and Infrastructure

Management of the Territory's roads and associated assets, stormwater infrastructure, community paths, bridges, traffic signals, streetlights and car parks. This output also includes the provision of asset information services, capital works and development approvals relating to the acceptance of new infrastructure assets.

Table C6.3 – Accountability Indicators Output 2.1

	2025–26 Targets	2025–26 Results	Variance %	Note
Total Cost ($'000)	**300,355**	**327,854**	**9%**	
Controlled Recurrent Payments ($'000)	**112,322**	**118,054**	**5%**	
Roads				
a. Annual percentage of territorial roads resurfaced[a]	7%	7%	0%	
b. Annual percentage of municipal roads resurfaced	4%	4%	0%	
c. Percentage of customers satisfied with the public road network[b]	>75%	73%	Not met	1
d. Annual resurfacing coverage[c] across the sealed road network[d]	1,260,000 m^2	1,182,110 m^2	(6%)	
e. Percentage of bridges that meet SM1600 standard on the B Double Network[e]	>80%	82%	Met	
f. Annual growth of the community path network (in m^2) including separated cycle lanes	>50,000 m^2	94,237 m^2	Met	2
g. Annual active travel renewal coverage across the off-road network (in m^2)	35,000 m^2	25,648 m^2	(27%)	3
h. Annual percentage of off-road active travel renewal works undertaken on asphalt routes	>15%	22%	Met	
i. Percentage of customers satisfied with the maintenance of community paths	75%	69%	(8%)	
Asset Acceptance				
j. Responses on development applications referred from the Territory Planning Authority completed within agreed timeframes	85%	77%	(9%)	
k. Respond to developers' submissions within adopted timeframes[f]	85%	88%	4%	
l. Respond to building applications lodged for assessment within agreed timeframes	85%	76%	(11%)	4

Notes:

a. Territorial roads are sealed major roads that have the principal function of an avenue for movements linking town centres and suburbs. Territorial roads are defined as NAASRA (National Association of Australian State Road Authorities) Class 1, 2, 3 and 6. This indicator is measured using an industry standard survey that assesses one third of the territorial road network annually.

b. Customer satisfaction is measured from responses to an annual survey undertaken by an external provider on behalf of the Directorate. The survey seeks customer views on the Directorate's core service delivery responsibilities including library services, infrastructure services (including roads and community paths), waste collection, parks and open spaces, and public transport. The response is collected through an online panel methodology over a period of three weeks. The respondents are asked to rate services across four ratings which were 'Very Satisfied', 'Satisfied', 'Dissatisfied' and 'Very Dissatisfied'. Minimum sample size for this survey is 1,000.

c. Resurfacing coverage includes preventative and corrective treatments to the road pavement.

d. Sealed road network includes both territorial and municipal roads.

e. SM1600 standard is a theoretical loading designated by Australian Standards 5100:2004 Bridge Design which should ensure that bridges can carry future vehicle loadings.

f. Adopted timeframe is 20 working days.

Explanation of Material Variance (+/- 10%)

1. While overall satisfaction improved by 1 percentage point compared with the previous years, the result remained below target. Survey feedback indicates that concerns about road condition, particularly potholes and the need for repairs, continue to be a key driver of dissatisfaction.
2. Higher than targeted result is mainly due to strong delivery momentum, supported by an increased volume of Work As Executed (WAE) submissions achieving operational and final acceptance. Timely processing by the Directorate's Data Management Team contributed to early recognition of completed assets within the reporting period.
3. Lower than targeted result is mainly due to a larger proportion allocated to path upgrades and missing links rather than repairs. As these works are reported under the separate path growth indicator (2.1f), the result for this maintenance measure was lower than the target.
4. Lower than targeted result is mainly due to a high volume of building applications, combined with the impacts of Machinery of Government changes and process reviews during the year. While these factors affected performance against the target, workflow improvements and streamlining initiatives implemented by the team contributed to improved approval times and stronger performance in the final two quarters of the financial year.

Output 2.2: Waste and Recycling

Provision of domestic waste, recyclables and green waste collection services, operation of resource management and recycling centres, development of waste policy, and implementation and evaluation of waste management programs.

Table C6.4 – Accountability Indicators Output 2.2

	2025–26 Targets	2025–26 Results	Variance %	Note
Total Cost ($'000)	**90,802**	**129,158**	**42%**	**1**
Controlled Recurrent Payments ($'000)	**69,349**	**77,461**	**12%**	**2**
a. Percentage of customers satisfied with waste collection services[a]	>90%	91%	Met	
b. Operating cost of Mugga Lane landfill per tonne of waste	$27.85	$28.09	1%	
c. Annual cost of domestic household waste collection services per head of population[b]	$30.63	$37.42	22%	3
d. Annual cost of domestic household recycling collection service per head of population[b]	$19.14	$20.64	8%	
e. Container redemption rate (in relation to the Container Deposit Scheme)	74%	69%	(7%)	
f. Annual tonnes of ACT household waste to landfill per head of population[b]	0.174	0.171	(2%)	
g. Annual tonnes of ACT household comingled recycling per head of population[b]	0.060	0.057	(4%)	
h. Annual tonnes of ACT household organics (including food organics and garden organics) per head of population[b]	0.055	0.049	(11%)	4
i. Percentage of material recovered from the ACT household total waste stream	43%	38%	(11%)	5
j. Annual cost of domestic organics collection (including food organics and garden organics) service per head of population[b] (green lids)	$17.81	$16.62	(7%)	
k. Percentage of mattress components recovered from mattress recycling initiative	78%	73%	(7%)	
l. Resource recovery rate from the ACT household bulky waste service	>30%	37%	Met	

Notes:

a. Customer satisfaction is measured from responses to an annual survey undertaken by an external provider on behalf of the Directorate. The survey seeks customer views on the Directorate's core service delivery responsibilities including library services, infrastructure services (including roads and community paths), waste collection, parks and open spaces, and public transport. The response is collected through an online panel methodology over a period of three weeks. The respondents are asked to rate services across four ratings which were 'Very Satisfied', 'Satisfied', 'Dissatisfied' and 'Very Dissatisfied'. Minimum sample size for this survey is 1,000.

b. The 2025-26 target is based on the estimated ACT population of 488,100.

Explanation of Material Variance (+/- 10%)

1. Higher than targeted result is mainly due to increased servicing requirement and operational costs and the return of Material Recovery Facility insurance funding to the Government.
2. Higher than targeted result is mainly due to Controlled Recurrent Payments (CRP) are drawn when funds are required to be paid out, which is largely reflective of the higher than targeted Total Cost.

3. Higher than targeted result is mainly due to servicing requirements for multi-unit developments being underestimated when the original target for the new household waste contract was established. The target has been adjusted in 2026–27 to better reflect actual service demand.
4. Lower than targeted result is mainly due to lower organic waste volumes, reflecting ongoing trends including reduced rainfall and fewer extreme weather events, which limited garden waste generation. Continued growth in housing density, particularly apartments and smaller-lot developments, also contributed to lower green waste volumes than anticipated.
5. Lower than targeted result is mainly due to declining green waste volumes, driven by increasing urban density, a higher proportion of unit developments, and a growing preference for low-maintenance gardens. Recycling tonnages also decreased slightly as greater participation in the Container Deposit Scheme diverted beverage containers away from kerbside recycling. With lower green waste and recycling volumes, and general waste remaining relatively stable, the overall resource recovery rate was below target.

Output 2.3: City Maintenance and Services

Planning and management of the Territory's parks and urban open space system including associated community infrastructure, maintaining the look and feel of the city, and managing the urban forest and sportsgrounds facilities. The Directorate also provides advice, education and compliance services in relation to municipal ranger functions, domestic animal management, plant and animal licensing and significant tree protection. This output also includes Yarralumla Nursery.

Table C6.5 – Accountability Indicators Output 2.3

	2025–26 Targets	2025–26 Results	Variance %	Note
Total Cost ($'000)	**151,318**	**178,601**	**18%**	**1**
Controlled Recurrent Payments ($'000)	**106,354**	**107,836**	**1%**	
City Maintenance & Services				
a. Percentage of customers satisfied with the management of sportsgrounds[a]	85%	84%	(1%)	
b. Average length of time taken to re-unite animals from the Domestic Animal Shelter with their owner	4 days	1.6 days	60%	2
c. Percentage of seized dog cases where the holding period has not exceeded the statutory period of 28 days	70%	61%	(13%)	3
d. Percentage of saleable stray and abandoned dogs re-homed	90%	100%	11%	4
e. Resolve complaints of vehicles reported as abandoned within nine calendar days	85%	29%	(66%)	5
f. Percentage of playgrounds subject to an independent, detailed (Level 3) annual playground safety audits[b]	100%	100%	0%	
g. Percentage of tree plantings completed against planting target[c]	90%	132%	47%	6
h. Annual operation cost per hectare of actively maintained park land is less than benchmarked median across Australia[d]	<$14,065	$17,063	Not met	7
Yarralumla Nursery				
i. Plant spoilage within industry standard	<10%	5%	Met	

Notes:

a. Customer satisfaction is measured from responses to an annual survey undertaken by an external provider on behalf of the Directorate. The survey seeks customer views on the Directorate's core service delivery responsibilities including library services, infrastructure services (including roads and community paths), waste collection, parks and open spaces, and public transport. The response is collected through an online panel methodology over a period of three weeks. The respondents are asked to rate services across four ratings which were 'Very Satisfied', 'Satisfied', 'Dissatisfied' and 'Very Dissatisfied'. Minimum sample size for this survey is 1,000.

b. The Level 3 inspections are annual external comprehensive compliance audits undertaken at play spaces across the ACT. The audits ensure that the Australian Standards are met with respect to the equipment, surfaces, structures, configuration and amenities present at our play spaces.

c. This indicator measures the number of new tree plantings excluding any gifted trees or those planted as part of the capital works program.

d. This indicator is benchmarked against other councils across Australia and is supported by the Yardstick Park Benchmarks report.

Explanation of Material Variance (+/- 10%)

1. Higher than targeted result is mainly due to increased depreciation expenses resulting from asset revaluations, as well as capital project expenditure that did not meet asset capitalisation thresholds. These outcomes align with ongoing investment in and reassessment of the Territory's asset base.
2. Lower than targeted result is mainly due to dog owners proactively claiming their pets as soon as possible from the shelter.
3. Lower than targeted result is mainly due to the complexity of investigations, including delays in obtaining evidence, witness statements, behavioural assessments and medical documentation. Access Canberra also prioritises complaints that are serious in nature, which can extend investigation timeframes.
4. Higher than targeted result is mainly due to Access Canberra's proactive efforts to maximise rehoming outcomes. While factors such as shelter capacity and the availability of rescue and foster organisations are outside its control, suitable dogs are prioritised for rehoming wherever possible.
5. Lower than targeted result is mainly due to the time required to investigate ownership, contact vehicle owners and comply with natural justice requirements before enforcement action can be taken. Compliance priorities and statutory notification periods also contribute to longer resolution timeframes.
6. Higher than targeted result is mainly due to the successful delivery of the Shade Our Play and Wattle Day programs, together with strong participation in seasonal planting programs, resulting in more trees being planted than originally targeted.
7. Higher than targeted result is mainly due to year-to-year changes in the Yardstick benchmark and increases in operating costs, including initiative funding, local service requirements, labour costs and input prices. Benchmark results are also influenced by changes in the number and mix of participating councils.

Output 2.4: Capital Linen Service

Capital Linen Service provides a managed linen service to a range of customers including public and private hospitals, health and aged care providers, hotels, restaurants, major tourist attractions, educational institutions and emergency services.

Table C6.6 – Accountability Indicators Output 2.4

	2025–26 Targets	2025–26 Results	Variance %	Note
Total Cost ($'000)	**21,102**	**26,826**	**27%**	**1**
Controlled Recurrent Payments ($'000)	**0**	**0**	**0%**	
a. Retain certification of Quality Management System Standard AS/NZS ISO 9001	100%	100%	0%	
b. Percentage of all linen items ordered delivered in full	99%	100%	1%	

Explanation of Material Variance (+/- 10%)

1. Higher than targeted result is mainly due to increased operational activity at Capital Linen Service during the reporting period. This uplift is consistent with higher service demand across its customer base and demonstrates the organisation's capacity to scale operations while maintaining service quality and full compliance with quality management standards.

Output Class 3: Climate Change and Energy

Output 3.1: Climate Change and Energy

Develops policy, provides advice and supports delivery of a range of programs in relation to the ACT Climate Change Strategy 2019–25 and the Zero Emissions Vehicles Strategy 2022-30. It includes investments in renewable electricity, the Energy Efficiency Improvement Scheme, administration of ACT's Zero Emissions Government Scheme, the Integrated Energy Plan in support of community and urban adaptation and resilience.

Table C6.7 – Accountability Indicators Output 3.1

	2025–26 Targets	2025–26 Results	Variance %	Note
Total Cost ($'000)	**94,336**	**63,331**	**(33%)**	**1**
Controlled Recurrent Payments ($'000)	**31,984**	**30,008**	**(6%)**	
a. Households improving sustainability through participating in government initiatives	5,155	5,286	3%	
b. Businesses improving sustainability through participating in government initiatives	398	360	(10%)	2
c. Publish an annual inventory	Dec-25	Dec-25	Met	

Explanation of Material Variance (+/- 10%)

1. Lower than targeted result is mainly due to the reduced spot price for Large-Scale Generation Certificates, leading to lower expenditure required.
2. Lower than targeted result is mainly due to lower than anticipated business engagement in the lead-up to the end of the financial year, which impacted the ability to achieve the expected level of participation. It is anticipated that many of these businesses will re-engage with the program in the new financial year. The closure of the Community Clubs Program also reduced opportunities to deliver against planned targets.

Output Class 4: Development and Implementation

Output 4.1: Development and Implementation

Delivers studies, assessments and engagement to inform strategic planning for future land development opportunities. This work also includes undertaking strategic projects and government initiatives, as well as infrastructure capacity studies, related to future land development opportunities and facilitating the direct sale of land for community use.

Table C6.8 – Accountability Indicators Output 4.1

	2025–26 Targets	2025–26 Results	Variance %	Note
Total Cost ($'000)	**14,091**	**11,916**	**(15%)**	**1**
Controlled Recurrent Payments ($'000)	**12,952**	**9,759**	**(25%)**	**2**
a. Completion of Infrastructure Capacity Studies	2	3	50%	3
b. Completion of Flood Studies	2	2	0%	
c. Publish Land and Property Report within six months of the end of the reporting period	2	1	(50%)	4

Explanation of Material Variance (+/- 10%)

1. Lower than targeted result is mainly due to procurement and recruitment delays associated with projects.
2. Lower than targeted result is mainly due to Controlled Recurrent Payments (CRP) not being drawn until funds are to be paid out, which is largely reflective of the lower than targeted Total Cost.
3. Higher than targeted result is mainly due to CED utilising available funding to complete an additional infrastructure capacity study during the financial year, resulting in performance exceeding the original target.
4. Lower than targeted result is mainly due to the July-December 2025 report being published on 9 July 2026, rather than by the scheduled publication date of 30 June 2026, as a result of unforeseen circumstances. While the report was completed and released shortly thereafter, publication occurred outside the reporting period.

Output Class 5: Environment

Output 5.1: Environment

Provides protection, conservation and enhancement of the ACT's natural environment through delivering functions under the *Nature Conservation Act 2014*, *Environment Protection Act 1997*, *Animal Diseases Act 2005*, *Plant Diseases Act 2002*, and *Pest Plants and Animals Act 2005*.

Table C6.9 – Accountability Indicators Output 5.1

	2025–26 Targets	2025–26 Results	Variance %	Note
Total Cost ($'000)	**34,706**	**33,059**	**(5%)**	
Controlled Recurrent Payments ($'000)	**33,392**	**30,281**	**(9%)**	
a. Monitoring evaluation reporting and improvement (MERI) reports submitted to the Commonwealth	100%	100%	0%	
b. Prepare and submit National Environment Protection Measure jurisdictional reports to the National Environment Protection Council within agreed timeframe	1	1	0%	
c. The area treated to reduce risk from invasive species	60,000 ha	125,816 ha	110%	1
d. Index of monitored threatened species	>75%	92%	Met	
e. Ecosystem health (vegetation; climate-adjusted) score	2 or above	2.54	Met	

Explanation of Material Variance (+/- 10%)

1. Higher than targeted result is mainly due to the Thermal Assisted Aerial Control (TAAC) program, which enabled invasive animal control across large and previously inaccessible remote areas, increasing the area treated during the year. While treatment reduces the risks posed by invasive species, their continued presence in treated areas means ongoing management is required.

Output 5.2: Parks and Conservation

Includes management of the ACT's parks, reserves, unleased public land as per the *Nature Conservation Act 2014* and management of the ACT's commercial pine plantations and offset areas. Also under this output is delivery of development, implementation and review of land management programs including for conservation, fire, pests and weeds, and nature-based recreation.

Table C6.10 – Accountability Indicators Output 5.2

	2025–26 Targets	2025–26 Results	Variance %	Note
Total Cost ($'000)	**71,710**	**81,511**	**14%**	**1**
Controlled Recurrent Payments ($'000)	**47,487**	**49,975**	**5%**	
a. Customer satisfaction with the Management of protected areas (Tidbinbilla Nature Reserve, Namadgi National Park and Canberra Nature Park)	90%	97%	8%	
b. Percentage of annual Bushfire Operations Plan actions completed	90%	88%	(2%)	

Explanation of Material Variance (+/- 10%)

1. Higher than targeted result is mainly due to increased operational requirement associated with weather events and seasonal operational events.

Output 5.3: Heritage

Delivers statutory functions under the *Heritage Act 2004* to recognise, register and conserve Aboriginal places and objects or heritage places and objects that have natural or cultural heritage significance. It includes supporting the ACT Heritage Council to exercise its functions under the *Heritage Act 2004*, delivery of the ACT Heritage Grants Program and the annual Canberra and Region Heritage Festival.

Table C6.11 – Accountability Indicators Output 5.3

	2025–26 Targets	2025–26 Results	Variance %	Note
Total Cost ($'000)	**6,126**	**5,739**	**(6%)**	
Controlled Recurrent Payments ($'000)	**4,855**	**4,460**	**(8%)**	
a. Notification on the legislation register of Heritage Council Decisions within 5 working days of the decision	100%	100%	0%	
b. Development application advice issued within 15 working days of referral by the ACT Land and Planning Authority	90%	90%	0%	
c. Decisions about heritage registrations by the ACT Heritage Council made within statutory timeframes	100%	100%	0%	

Explanation of Material Variance (+/- 10%)

Nil

Output 5.4: Water

Delivers statutory functions of the *Water Resources Act 2007* to provide for the well managed and sustainable use of the ACT's water resources. It includes development and implementation of catchment plans, water quality monitoring programs, and assets to enhance the quality of ACT's potable and non-potable water. It includes implementation of the ACT's Water Strategy and contributions to national water reforms.

Table C6.12 – Accountability Indicators Output 5.4

	2025–26 Targets	2025–26 Results	Variance %	Note
Total Cost ($'000)	**15,794**	**11,337**	**(28%)**	**1**
Controlled Recurrent Payments ($'000)	**13,638**	**8,181**	**(40%)**	**2**
a. Proportion of annual requirement of water samples processed under the Waterwatch Program[a]	100%	100%	0%	

Note:

a. This is calculated by the number of datapoints processed by the Office of Water as a proportion of the number of samples that were planned to be analysed by the Waterwatch program for the 2025 calendar year.

Explanation of Material Variance (+/- 10%)

1. Lower than targeted result is mainly due to procurement and recruitment delays associated with projects.
2. Lower than targeted result is mainly due to Controlled Recurrent Payments (CRP) not being drawn until funds are to be paid out, which is largely reflective of the lower than targeted Total Cost.

Output Class 6: Loose Fill Asbestos

Output 6.1: Loose Fill Asbestos

Delivers the Loose Fill Asbestos Insulation Eradication Scheme and the Mr Fluffy legacy projects, providing support and advice to affected homeowners, the Canberra community, industry and Government.

Table C6.13 – Accountability Indicators Output 6.1

	2025–26 Targets	2025–26 Results	Variance %	Note
Total Cost ($'000)	**1,614**	**1,848**	**14%**	**1**
Controlled Recurrent Payments ($'000)	**424**	**552**	**30%**	**2**
a. Removal of properties demolished during the financial year from the Affected Residential Premises Register	2	1	(50%)	3

Explanation of Material Variance (+/- 10%)

1. Higher than targeted result is mainly due to extended delivery of the program and the addition of a newly identified affected property.
2. Higher than targeted result is mainly due to Controlled Recurrent Payments (CRP) being drawn when funds are required to be paid out, which is largely reflective of the higher than targeted Total Cost.
3. Lower than targeted result is mainly due to the complexity of cases, changes to the procurement approach for demolition services following probity and delivery partner advice, and the partial redirection of 2025–26 capital funding to acquire a newly identified Loose Fill Asbestos affected property added to the Affected Residential Premises Register in April 2026. Demolition works for the property are scheduled to commence following procurement activities in 2026–27.

Output Class 7: Planning and Urban Policy

Output 7.1: Planning Policy

Delivers strategic planning and policy work, including the planning strategy, district strategies, the Territory Plan and design guides so that the planning, development and building policy settings support the economic growth and prosperity of the ACT, and so that the ACT is a place of choice for the community, today and into the future.

Table C6.14 – Accountability Indicators Output 7.1

	2025–26 Targets	2025–26 Results	Variance %	Note
Total Cost ($'000)	**10,594**	**13,267**	**25%**	**1**
Controlled Recurrent Payments ($'000)	**9,886**	**10,569**	**7%**	
a. Number of Environment and Planning Forums held during the year to assist in community consultations	6	6	0%	
b. Decision on Major Plan Amendment (MPA) Applications completed within Statutory timeframe	75%	71%	(5%)	
c. Proportion of development proposals receiving design advice within 10 business days following the National Capital Design Review Panel considerations.	100%	100%	0%	
d. Complete Territory wide planning assessments to support District Strategies implementation	2	2	0%	
e. Publish the annual ACT Housing Strategy report card[a]	1	1	0%	

Note:

a. This accountability indicator was transferred from Chief Minister and Economic Development Directorate (CMTEDD) to City and Environment Directorate (CED) via Section 19D of the *Financial Management Act 1996* (FMA) as a result of Administrative Arrangements Order 2025 (2) dated 19 December 2025. For the purposes of the 2025–26 Statement of Performance, the transferred Accountability Indicator has been presented within Output 7.1 to align with 2025-26 Budget Statements.

Explanation of Material Variance (+/- 10%)

1. Higher than targeted result is mainly due to expedited procurement and recruitment associated with projects.

Output 7.2: Building Reform

Delivers building reforms that improve the ACT's building regulatory system, provides transparent and efficient regulation of the building and construction industry and develops policies for safe, healthy, climate resilient, liveable and quality buildings.

Table C6.15 – Accountability Indicators Output 7.2

	2025–26 Targets	2025–26 Results	Variance %	Note
Total Cost ($'000)	**4,452**	**4,229**	**(5%)**	
Controlled Recurrent Payments ($'000)	**4,021**	**3,764**	**(6%)**	
a. Publish an annual report card on progress of building reforms	1	1	0%	

Explanation of Material Variance (+/- 10%)

Nil

Output Class 8: Statutory Planning

Output 8.1: Statutory Planning

Facilitates and manages growth and change within the ACT through development assessment and leasehold management, with the overarching objective of promoting and facilitating economically productive, sustainable, attractive, safe and well-designed urban and rural environments in the ACT.

Table C6.16 – Accountability Indicators Output 8.1

	2025–26 Targets	2025–26 Results	Variance %	Note
Total Cost ($'000)	**28,674**	**28,307**	**(1%)**	
Controlled Recurrent Payments ($'000)	**22,333**	**23,137**	**4%**	
a. Development application processing times:				
– Median processing times in working days for significant development applications	60	144	(140%)	1
– Median processing times in working days for other (non-significant) development applications	37	32	14%	2
b. Percentage of development application decisions made within statutory timeframes	75%	83%	11%	3
c. Proportion of minor housing developments (exemption declaration applications) approved within statutory timeframe (10 days)	80%	96%	20%	4
d. Proportion of Survey plans examined within standard timeframes as published by the Surveyor-General	85%	95%	12%	5

Explanation of Material Variance (+/- 10%)

1. 1Lower than targeted result is mainly due to the complexity of significant development applications received during the reporting period. Significant development applications commonly require detailed technical assessment, multiple referral agency inputs, additional information requests and extended applicant response periods. The determination of several aged and complex applications also increased the median processing time.
2. Higher than targeted result is mainly due to resources having been directed towards resolving complex and legacy matters, contributing to shorter-than-expected timeframes.
3. Higher than targeted result is mainly due to Directorate's continued focus on the timely assessment and determination of development applications in accordance with statutory requirements. Strong performance was maintained throughout the reporting period, particularly during the second half of the year, resulting in a higher proportion of applications being determined within statutory timeframes than originally anticipated.
4. Higher than targeted result is mainly due to consistent system management and a continued focus on the timely determination of applications by delegates. Strong performance was maintained throughout the reporting period, resulting in a higher proportion of applications being determined by delegates than originally anticipated.
5. Higher than targeted result is mainly due to improvements in the capability and experience of the examination team, supported by a stable workforce. A lower volume of plan lodgements during the reporting period, likely associated with proponents awaiting the implementation of the Missing Middle reforms, also contributed to improved assessment timeframes and performance.

Output Class 9: Transport Canberra

Output 9.1: Transport Canberra

Transport Canberra includes the Government subsidy paid to bus and light rail operations, and the strategic oversight of the public transport network, public transport asset management and the Active Travel Office.

Table C6.17 – Accountability Indicators Output 9.1

	2025–26 Targets	2025–26 Results	Variance %	Note
Total Cost ($'000)	**252,146**	**252,604**	**0%**	
Controlled Recurrent Payments ($'000)	**249,399**	**247,932**	**(1%)**	
Light Rail				
a. Customer satisfaction with light rail services as assessed by passenger survey[a]	85%	91%	7%	
Active Travel Office				
b. Customer satisfaction with access to cycle and walking paths[a]	85%	89%	5%	
Bus Operations				
c. Customer satisfaction with bus operation services as assessed by passenger survey[a]	85%	83%	(2%)	

Notes:

a. Customer satisfaction is measured from responses to an annual survey undertaken by an external provider on behalf of the Directorate. The survey seeks customer views on the Directorate's core service delivery responsibilities including library services, infrastructure services (including roads and community paths), waste collection, parks and open spaces, and public transport. The response is collected through an online panel methodology over a period of three weeks. The respondents are asked to rate services across four ratings which were 'Very Satisfied', 'Satisfied', 'Dissatisfied' and 'Very Dissatisfied'. Minimum sample size for this survey is 1,000.

Explanation of Material Variance (+/- 10%)

Nil

Output Class EBT: Office of the Commissioner for Sustainability and the Environment

Output EBT 1: Office of the Commissioner for Sustainability and the Environment

Publication of the State of the Environment Report, investigations by Ministerial direction, and complaints where a Territory agency's actions may have a substantial impact on the environment.

Table C6.18 – Accountability Indicators Output EBT 1

	2025–26 Targets	2025–26 Results	Variance %	Note
Total Cost ($'000)[a]	**2,027**	**1,563**	**(23%)**	**1**
Payment for Expenses on Behalf of the Territory ($'000)[a]	**1,972**	**1,699**	**(14%)**	**2**
a. Report on the uptake of recommendations on the ACT State of the Environment and special reports as part of the annual report	Oct-25	Oct-25	Met	
b. Complete Ministerial initiated investigations in accordance with the Minister's direction within the timeframe outlined in the Minister's direction letter	100%	N/A[b]	N/A[b]	
c. Report on the complaints about the management of the environment by the Territory or a Territory agency as part of the annual report	Oct-25	Oct-25	Met	

Note

a. Total cost and Payments for Expenses on Behalf of the Territory are in relation to the Office of The Commissioner for Sustainability and the Environment. It excludes costs and payments for other Expenses on Behalf of the Territory.

b. No investigations were directed by the Minister within the reporting period.

Explanation of Material Variance (+/- 10%)

1. Lower than targeted result is mainly due to delays in planned work resulting from procurement and resourcing constraints.
2. Lower than targeted result is mainly due to Expenses on Behalf of the Territory (EBT) not being drawn until funds are to be paid out, which is largely reflective of the lower than targeted Total Cost.

C6B Statement of Performance – Transport Canberra Operations

Transport Canberra Operations

Statement of Performance

For the year ended 30 June 2026

ACT Audit Office

AUDITOR-GENERAL AN OFFICER OF THE ACT LEGISLATIVE ASSEMBLY

INDEPENDENT LIMITED ASSURANCE REPORT

To the Members of the ACT Legislative Assembly

Conclusion

I have undertaken a limited assurance engagement on the statement of performance of Transport Canberra Operations for the year ended 30 June 2026.

Based on the procedures performed and evidence obtained, nothing has come to my attention to indicate the results of the accountability indicators reported in the statement of performance for the year ended 30 June 2026 are not in agreement with Transport Canberra Operations' records or do not fairly reflect, in all material respects, the performance of Transport Canberra Operations, in accordance with the *Financial Management Act 1996*.

Basis for conclusion

I have conducted the engagement in accordance with the Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*. My responsibilities under the standard and legislation are described in the 'Auditor-General's responsibilities' section of this report.

I have complied with the independence and other relevant ethical requirements relating to assurance engagements, and the ACT Audit Office applies Australian Auditing Standard ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements.*

I believe that sufficient and appropriate evidence was obtained to provide a basis for my conclusion.

Transport Canberra Operations' responsibilities for the statement of performance

The Director-General of the City and Environment Directorate is responsible for:

- preparing and fairly presenting the statement of performance in accordance with the *Financial Management Act 1996* and *Financial Management (Statement of Performance Scrutiny) Guidelines 2019*; and
- determining the internal controls necessary for the preparation and fair presentation of the statement of performance so that the results of accountability indicators and accompanying information are free from material misstatements, whether due to error or fraud.

Auditor-General's responsibilities

Under the *Financial Management Act 1996* and *Financial Management (Statement of Performance Scrutiny) Guidelines 2019*, the Auditor-General is responsible for issuing a limited assurance report on the statement of performance of Transport Canberra Operations.

My objective is to provide limited assurance on whether anything has come to my attention that indicates the results of the accountability indicators reported in the statement of performance are not in agreement with Transport Canberra Operations' records or do not fairly reflect, in all material respects, the performance of Transport Canberra Operations, in accordance with the *Financial Management Act 1996*.

Nara Centre, Level 4 / 3 Constitution Ave Canberra ACT 2601 | PO Box 158 Canberra ACT 2601 | (02) 6207 0833 | actauditorgeneral@act.gov.au | audit.act.gov.au

In a limited assurance engagement, I perform procedures such as making inquiries with representatives of Transport Canberra Operations, performing analytical review procedures and examining selected evidence supporting the results of accountability indicators. The procedures used depend on my judgement, including the assessment of the risks of material misstatement of the results reported for the accountability indicators.

Limitations on the scope

The procedures performed in a limited assurance engagement are less in extent than those required in a reasonable assurance engagement and consequently the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, I do not express a reasonable assurance opinion on the statement of performance.

This limited assurance engagement does not provide assurance on the:

- relevance or appropriateness of the accountability indicators reported in the statement of performance or the related performance targets;
- accuracy of explanations provided for variations between actual and targeted performance due to the often subjective nature of such explanations; or
- adequacy of controls implemented by Transport Canberra Operations.

Clea Lewis
Assistant Auditor-General, Financial Audits
30 September 2026

Transport Canberra Operations
Statement of Performance
For the Year Ended 30 June 2026

Statement of Responsibility

In my opinion, the Statement of Performance is in agreement with the Transport Canberra Operations' records and fairly reflects the service performance of the Transport Canberra Operations for the year ended 30 June 2026, and also fairly reflects the judgements exercised in preparing them.

Dave Peffer
Director-General
City and Environment Directorate
29 September 2026

2025–26 Statement of Performance

The following Statement of Performance sets out the performance of the Transport Canberra Operations (TCO) against the accountability indicator targets set during the 2025–26 Budget Process.

When reading the following Statement of Performance please note:

- All tables in this report should be read in conjunction with the accompanying notes;
- All variances are rounded to the nearest whole number;
- All variances are calculated before rounding; and
- The variance is based on the actual results to 30 June 2026 compared to the targeted result for the same period.

The Accountability Indicators were examined by the ACT Audit Office in accordance with the *Financial Management Act 1996*. The Total Cost and Controlled Recurrent Payments measures were not examined by the ACT Audit Office in accordance with the *Financial Management (Statement of Performance Scrutiny) Guidelines 2019*.

Table C6.19 – TCO Accountability Indicators Output 1.1

	2025–26 Targets	2025–26 Results	Variance %	Note
Total Cost ($'000)	**321,959**	**330,848**	**3%**	
Service Payments ($'000)	**232,124**	**247,932**	**7%**	
Light Rail				
a. Light rail service availability[a]	99.5%	99.9%	0%	
b. Light rail service punctuality[b]	98%	99%	1%	
Public Transport Passenger Boardings				
c. Public transport passenger boardings[c]	20.3 million	15.9 million	(22%)	1
Bus Operations				
d. Bus service availability[d]	99.5%	99.8%	0%	
e. Bus service punctuality[e]	75%	75%	0%	
f. Total network operating cost per network kilometre[f]	$7.36	$8.18	11%	2
g. Number of Battery Electric Buses in the in-service fleet	106	106	0%	

Note

a. Availability of light rail for services is measured by comparing the number of scheduled services against the number of services that were delivered.

b. This indicator measures punctuality (on-time running) of light rail services.

c. This indicator measures the patronage number for buses and light rail.

d. Availability of buses for passenger services is measured by comparing the number of scheduled services against the number of services that were operated to completion.

e. Operating on scheduled time describes a bus service that departs a stop that is a designated timing point between one minute earlier and four minutes later than the scheduled time. GPS technology attached to the MyWay+ system is used to measure this indicator. Only scheduled services that operated successfully are measured.

f. Network operating costs per kilometre measure the cost and kilometres directly attributable to the operation of Transport Canberra Operations' bus network route.

Explanation of Material Variance (+/- 10%)

1. Lower than targeted actual boardings mainly reflect the transition to the MyWay+ ticketing system, which affected fare validation and boarding measurement. Changes in passenger tap-on behaviour during fare-free periods, differences in boarding rules between MyWay+ and the legacy system, and a small number of non-MyWay+ buses also contributed to under-recorded boardings. Despite these impacts, recorded boardings increased by 6.5% in the second half of the financial year, indicating improved system performance and passenger compliance.
2. Higher than targeted operating cost per network kilometre mainly reflect planned service disruptions from major infrastructure projects, increased employee costs under the new Enterprise Bargaining Agreement, and higher operating costs, including increased diesel and consumable prices due to the conflict in the Middle East.

Annexed Reports

ACT Architects Board

Transmittal certificate

ACT Government
City and Environment

Mr Chris Steel
Minister for Planning and Sustainable Development
ACT Legislative Assembly
London Circuit
CANBERRA ACT 2601

Dear Minister

2025–26 ACT Architects Board Annual Report

This report has been prepared in accordance with section 7(2) of the *Annual Reports (Government Agencies) Act 2004* and in accordance with the requirements under the Annual Report Directions.

It has been prepared in conformity with other legislation applicable to the preparation of the annual report by the ACT Architects Board.

We certify that the information in the attached annual report, and information provided for whole-of-government reporting, is an honest and accurate account and that all material information on the operations of the ACT Architects Board has been included for the period 1 July 2025 to 30 June 2026.

We hereby certify that fraud prevention has been managed in accordance with the Public Sector Management Standards 2006 (repealed), Part 2.3 (see section 113, Public Sector Management Standards 2016).

Section 13 of the *Annual Reports (Government Agencies) Act 2004* requires that you present the report to the Legislative Assembly within 15 weeks after the end of the reporting year.

Yours sincerely

Dr Erin Hinton
Chair
3 August 2026

Mr Nick Lhuede
Registrar
3 August 2026

Compliance statement

This annexed report confirms compliance with the Annual Report Directions and that relevant information is either contained in this report or, where appropriate, covered in the broader CED Annual Report 2025–26.

The Board

The ACT Architects Board (the Board) ensures registered architects provide services to the public in a professional and competent manner. The Board's range of responsibilities are established under section 67 of the *Architects Act 2004*. The Board has a range of powers to investigate complaints against architects and to discipline those who are found to have acted unprofessionally or incompetently.

The Board is part of a national network of boards that administers the state and territory legislation pertaining to architectural education and registration of architects.

Mr Nick Lhuede continued as Registrar of Architects. The Registrar manages the administration of the Board, maintains the Register of Architects and is delegated to approve the renewal of architect registrations on behalf of the Board.

The Minister appoints all members of the Board. Appointments are for a term no longer than 3 years.

Table AB1 – ACT Architects Board Ministerial appointments 2025–26

Name	Position	Meetings attended
Dr Erin Hinton	Chairperson / Academic representative	12
Mr Scott Hodgson	Registered architect representative	10
Mr Remco de Vries	Peak body representative	8
Ms Amy Ward	Legal representative	10
Ms Jane Seaborn	Community interest representative	11

Board meetings

The Board met 12 times.

Table AB2 – ACT Architects Board meetings and attendance 2025–26

Members	July	Aug	Sep	Oct	Nov*	Dec	Jan	Feb	Mar	Apr	May	Jun
Dr Erin Hinton	Y	Y	Y	Y	YY	Y	N/A	Y	Y	Y	Y	Y
Mr Scott Hodgson	Y	Y	Y	Y	Y	Y	N/A	Y	Y	Y	N	Y
Mr Remco de Vries	N	N	Y	N	YY	Y	N/A	Y	Y	N	Y	Y
Ms Amy Ward	Y	Y	Y	Y	YY	Y	N/A	Y	N	Y	Y	N
Ms Jane Seaborn	N	Y	Y	Y	YY	Y	N/A	Y	Y	Y	Y	Y

*Two meetings were held in November 2025

National engagement

In October 2025, the Board Chair attended the Architects Accreditation Council of Australia annual forum and Annual General Meeting in Perth. These meetings were attended by registrars, board chairs and members from all Australian jurisdictions. This provided an opportunity to share information about emerging issues in each jurisdiction and look at ways to work together for the progression of architectural regulation across Australia. In particular, the meeting facilitated discussions on governance, financial reporting and the National Standards of Competency for Architects, which are essential for the accreditation of architecture programs leading to registration in Australia.

Four Architects Registrar Meetings provided key insights and updates from all jurisdictions, fostering collaboration and information sharing among registrars.

Renumeration

In accordance with the *Remuneration Tribunal Act 1995*, the current remuneration rate for the Chair of the Board is $650 (per diem) and for a Member of the Board is $560 (per diem).

The Registrar is not a member of the Board and does not receive additional remuneration.

Registration

Table AB3 – Registrations from 1 July 2025 to 30 June 2026

Type	Number of registrations
New architects	21
New architects – mutual recognition	12
Re-issued registrations	51
Renewed registrations	309
Registered architects at 30 June 2026	395
Registered architects at 30 June 2025	383

Recognition of interstate architect registrations

The ACT recognises interstate registration of architects through either automatic mutual recognition or mutual recognition. Automatic mutual recognition allows professionals with an occupational registration or licence in one Australian state or territory to work in another without paying additional fees or applying for another registration.

Complaints and disciplinary actions

In each state and territory of Australia, there is a legal requirement that any person using the title ‘architect’ or offering services to the public as an architect must be registered with the architect registration board in that jurisdiction.

Only people whose names appear on a state and territory architect registration board register can use the title ‘architect’ in that jurisdiction. It is illegal for people to use the title ‘architect’ or offer architectural services if they are not on a register of architects in the state or territory in which they are practising.

During 2025–26 the Board received 7 new complaints. There were no complaints carried over from previous years. Of the total 7 complaints:

- 4 complaints were resolved
- 0 complaints were withdrawn
- 3 complaints remain under investigation as at 30 June 2026.

Contact

Registrar, ACT Architects Board

Architectsboard@act.gov.au

ACT Construction Occupations Registrar

Transmittal certificate

ACT Government
City and Environment

Mr Chris Steel
Minister for Heritage
ACT Legislative Assembly
London Circuit
CANBERRA ACT 2601

Dear Minister

2025–26 Construction Occupations Registrar Annual Report

This report has been prepared in accordance with section 7(2) of the *Annual Reports (Government Agencies) Act 2004* and in accordance with the requirements under the Annual Report Directions.

It has been prepared in conformity with other legislation applicable to the preparation of the annual report by the ACT Construction Occupations Registrar.

I certify that the information in the attached annual report, and information provided for whole-of-government reporting, is an honest and accurate account and that all material information on the operations of the ACT Construction Occupations Registrar has been included for the period 1 July 2025 to 30 June 2026.

I hereby certify that fraud prevention has been managed in accordance with the Public Sector Management Standards 2006 (repealed), Part 2.3 (see section 113, Public Sector Management Standards 2016).

Section 13 of the *Annual Reports (Government Agencies) Act 2004* requires that you present the report to the Legislative Assembly within 15 weeks after the end of the reporting year.

Yours sincerely

W. N. R Lhuede

Mr Nick Lhuede
Construction Occupations Registrar
4 August 2026

Compliance statement

This annexed report confirms compliance with the Annual Report Directions and that relevant information is either contained in this report or, where appropriate, covered in the broader CED Annual Report 2025–26.

The Registrar

The Construction Occupations Registrar (the Registrar) is appointed under section 103 of the *Construction Occupations (Licensing) Act 2004* (COLA or the Act) with their functions articulated under section 104. Mr Nick Lhuede continued as the Registrar in 2025–26.

The Registrar is also responsible for the administration and implementation of the operational legislation associated with building and construction in the ACT, including the requirements of the *Building Act 2004*, the *Electricity Safety Act 1971* and the *Gas Safety Act 2000*.

Building activity

Table COR1 – Building activity overview

Activity type	2025–26	2024–25
Building Approval registrations	3,212	3,245
Certificates of Occupancy and Use issued	3,184	3,696

Table COR2 – Electrical, plumbing, drainage and gas certificates, plans and backflows

Activity type	2025–26	2024–25
Electrical		
New DER* Certificates of Electrical Safety received	13,139	8,023
New Installation Certificates of Electrical Safety received	7,995	5,916
Additions, Alterations and Repair (Commercial, Government, Residential) Certificates of Electrical Safety received	49,901	39,367
Total Certificates of Electrical Safety received	**71,035**	**53,306**
Plumbing and gas		
Work as Executed plans	3,681	4,268
Commercial Plans registered	2,137	2,485
Interim Plans registered	1,243	1,101
Plumbing/Drainage Permits	3,183	3,087
Gas Permits/Gasfitting Compliance Certificates	265	369
Minor works	4,908	5,219
Backflow prevention devices entered	8,593	7,564
Type B Gas Appliance Validations	39	38
Total plumbing and gas received	**24,049**	**24,093**

*Distributed Energy Resources include Solar PV, EV chargers and battery installations.

Inspections and audits

A core function of the Registrar is to monitor and determine levels of compliance with the requirements of legislation, licences and other statutory instruments to minimise incidents of non-compliance and reduce their impacts.

Table COR3 – Summary of inspections/audits conducted

Inspection/audit	2025–26	2024–25
Construction	1,573	919
Electrical	56,936	44,665
Plumbing	21,478	19,580
Gas	887	1,524

Construction inspections

The purpose of auditing building construction and related occupational licences is to identify and address non-compliance before a Certificate of Occupancy (CoU) is issued. To ensure that buildings have been built in accordance with the legislative requirements, the team conducted proactive compliance audits and inspections of building work across the Territory. The focus of the audit program is to:

- identify systemic errors or departures from administrative and legislative or Building Code of Australia (BCA) requirements
- provide feedback and education to industry members on areas of non-compliance
- recommend areas for improvement.

The Compliance Assessment Medium to High Rise Buildings team and the Compliance Assessment Low Rise Buildings and Energy Efficiency team performed 1,255 audits in 2025–26.

Table COR4 – Onsite construction audit areas of focus

Type of audit	2025–26	2024–25
Onsite general BCA construction audits	320	321
Onsite BCA energy audits	23	73
Onsite planning audits	*	17
Medium to high rise onsite construction audits	121	141
Other onsite audits	*	40
Total onsite audits	**464**	**592**

*Not categorised this year (incorporated into other audit information)

Table COR5 – Administrative audit areas of focus

Type of audit	2025–26	2024–25
General audits and general BCA audits	*	6
BCA energy audits	23	78
Sale of premises energy audits	0	0
Planning audits	410	101
Class 2–9 Minium documentation assessments	109	80
Class 2 COU checks	249	57
Other administrative audits (including specific and licence audits)	0	5
Total administrative audits	**791**	**321**

*Not categorised this year (incorporated into other audit information)

Plumbing and gas inspections

The Plumbing and Gas Inspectorate inspects mandatory installations to ensure compliance with the *Water and Sewerage Act 2000* and the *Gas Safety Act 2000* and their associated regulations and instruments and the Australian Standards.

Inspections include assessing the compliance of drainage systems, stacks, ties and sanitary and water systems. In 2025–6, the Plumbing and Gas Inspectorate conducted 22,365 inspections:

- 21,478 plumbing inspections
- 887 gas inspections.

Electrical inspections

The Electrical Inspectorate is responsible for the regulation of licensed electricians and the auditing of their work. The inspectorate's responsibilities include inspecting new electrical installations, auditing certificates of electrical safety for compliance, electrical product safety, providing advice and assistance to other directorates, and investigating electric shock incidents.

In 2025–26, the Electrical Inspectorate conducted 56,936 audits of Certificates of Electrical Safety.

There are 2,858 photovoltaic/battery (PV/BESS) installations awaiting inspection by the Electrical Inspectorate as of 30 June 2026. This is an increase of 1,984 from 874 from 30 June 2025.

The Electrical Inspectorate responded to 45 reports of electrical shocks and tingles, with no electrocutions reported.

Licensing

Licensing plays a crucial role in proactive and reactive construction regulation in the ACT. Licensing ensures that licences are granted only to those eligible to hold and continue to hold a licence, as well as occupational discipline for noncompliance with licence requirements. Proactive and reactive licensing action is part of delivering on the Construction Occupation Registrar's strategic priorities of an empowered community and an accountable industry. The following occupations require licences:

- builders, including owner-builders
- electricians
- plumbers, drainers and gasfitters
- building surveyors (private certifiers)
- building assessors
- gas appliance workers
- works assessors
- plumbing plan certifiers.

Builder licence assessments

During 2025–26, Access Canberra conducted face-to-face examinations for applicants seeking Class C and Class B builder licences as part of the licensing assessment requirements. Applicants for Class A builder licences completed interviews, supported by inspectors as subject matter experts, to assess applicant skill and experience.

Access Canberra finalised a partnership with CIT for the 2026–27 financial year, under which CIT will undertake all Class C, Class B and Class A builder licence assessments. This arrangement streamlines builder licence assessment processes, reduces administrative workload and assists in reducing overall assessment timeframes.

Construction licence triaging policy

A triage policy was introduced in March 2025 to support the construction sector by appropriately prioritising those construction occupations licence applications that deliver the greatest benefit to the ACT community. Under the policy, applicants residing in the ACT or the surrounding region are automatically prioritised. Interstate applicants who demonstrate a genuine intention to undertake construction work in the ACT are also given priority.

This approach has helped reduce assessment timeframes for priority applicants and helped qualified workers enter the ACT construction workforce sooner, supporting industry needs and the delivery of construction projects across the Territory.

Property developer licensing

The *Property Developer Act 2024* establishes a licensing scheme for property developers in the ACT to support professionalism, accountability and consumer confidence in the property development industry.

Applications for property developer licences opened on 1 October 2025, ahead of mandatory licensing commencing on 1 October 2026. During 2025–26, decisions were made on 3 property developer licence applications, with licences commencing on 1 October 2026. A further 5 applications were submitted and were pending assessment at year end.

Licences

The Registrar issued 907 new builder licences and 1,633 new other construction occupation licences In 2025–26.

As of 30 June 2026, the ACT had 4,942 active builder licences and 12,114 other construction occupation licences (including individuals, companies and partnerships)

The Registrar refused 31 construction occupations licence applications where applicants were unable to satisfactorily demonstrate their eligibility for a licence.

Table COR6 – Builder licences by class

Class	New 2025–26	New 2024–25	Total active 2025–26	Total active 2024–25
Class A	329	221	1,684	1,525
Class B	180	45	925	821
Class C	221	165	1,674	1,637
Class D	31	13	277	262
Owner-Builder	146	140	382	41

Table COR7 – Other construction licences by occupation

Construction occupation	New 2025–26	New 2024–25	Total active 2025–26	Total active 2024–25
Electrician	568	526	5,419	5,220
Gas Appliance Worker	10	21	172	174
Gasfitter	334	312	2,063	1,902
Plumber	428	340	2,704	2,473
Drainer	258	206	1,559	1,450
Plumbing Plan Certifier	2	3	14	14
Building Assessor	11	8	67	44
Building Surveyor	22	9	112	94
Works Assessor	0	0	4	4

Performance, compliance and regulatory actions

Complaints

The Registrar acts on complaints made about construction occupations licensees, including former licensees.

The Registrar received 381 building complaints related to 289 unique investigations in 2025–26. Of these, 52 were carried over from previous years.

Of the 381 complaints:

- 283 complaints were resolved
- 8 complaints were withdrawn.

Regulatory actions

The Registrar takes regulatory action against construction practitioners in accordance with the Access Canberra Accountability Commitment policies and compliance framework and the principles of natural justice, and in line with customer service principles.

Table COR8 – Regulatory enforcement

Type of action	2025–26	2024–25
Notice of Intention to issue a Rectification Order	13	10
Rectification Order	11	9
Emergency Rectification Order	0	3
Demerit points	310	300
Directions to undertake building work	1	0
Stop work notices	68	73
Infringement notices	3	10
Automatic suspensions	151[1]	47
Occupational disciplinary action	32	4
Public safety suspensions	23[2]	5
Interim suspension pending ACT occupational disciplinary action	0	0
Warning letter under section 94 of the Act	6	5

Note 1: The increase in automatic suspension was a result of strengthening data informed practices through daily cross-matching of construction licensee information and ASIC corporation status, which allowed the registrar to be alerted when a corporation goes into external administration.

Note 2: The increase in both occupational disciplinary action and public safety suspensions was a result of action taken against a number of ACT licensees who were identified through NSW's Strike Force Artemis as supplying fake qualifications with their application.

Registers

Specific information is made public when certain disciplinary action has been taken against a construction occupation licensee under the Act. The Disciplinary Register lists licensed professionals in the building industry who have incurred suspensions, cancellations or had occupational disciplinary action taken against them in the last 10 years.

A full list of Public Registers and open data lists construction occupations licensees and other professionals in various sectors.

Contact

ACT Construction Occupations Registrar

Email: cedactcor@act.gov.au

ACT Heritage Council

Transmittal certificate

ACT Government
City and Environment

Mr Chris Steel
Minister for Heritage
ACT Legislative Assembly
London Circuit
CANBERRA ACT 2601

Dear Minister

2025-26 ACT Heritage Council Annual Report

This report has been prepared in accordance with section 7(2) of the *Annual Reports (Government Agencies) Act 2004* and in accordance with the requirements under the Annual Report Directions.

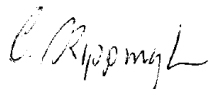
It has been prepared in conformity with other legislation applicable to the preparation of the annual report by the ACT Heritage Council.

I certify that information in the attached annual report, and information provided for whole-of-government reporting, is an honest and accurate account and that all material information on the operations of the ACT Heritage Council has been included for the period 1 July 2025 to 30 June 2026.

I hereby certify that fraud prevention has been managed in accordance with the Public Sector Management Standards 2006 (repealed), Part 2.3 (see section 113, Public Sector Management Standards 2016).

Section 13 of the *Annual Reports (Government Agencies) Act 2004* requires that you present the report to the Legislative Assembly within 15 weeks after the end of the reporting year.

Yours sincerely



Catherine Skippington

Chair
3/8/2026

Compliance statement

This annexed report confirms compliance with the Annual Report Directions and that relevant information is either contained in this report or, where appropriate, covered in the broader CED Annual Report 2025–26.

The ACT Heritage Council

The ACT Heritage Council (the Council) is established under the *Heritage Act 2004* to manage functions outlined in the Act and conducts its legislated business in accordance with the Heritage Regulation 2006.

The Council is responsible for making registration decisions under the Heritage Act. The Registration Advisory Committee considers registration matters and provides advice to the full Council, which makes the final determination. Registration includes the assessment of nominations to the Heritage Register, decisions on provisional and permanent registration, and consideration of public consultation outcomes before providing advice to the Minister for Heritage.

The Council also considers development proposals affecting heritage places and objects in the ACT. Matters can be actioned by the Chair and Deputy Chair acting as delegates for the Council, and under delegation by key staff of ACT Heritage to ensure timeliness, efficiency and effectiveness in conducting the functions of the Heritage Act. Complex development decisions are considered by the Planning and Development Advisory Committee and routine development decisions are made under delegation by ACT Heritage, ensuring these decisions are made within their tight statutory timeframes.

Key achievements

- Worked to address the priorities outlined in the Minister's Statement of Priorities, aligning Council activities with strategic Government objectives.
- Strengthened the Council's contribution to ACT Government strategic planning by advocating for earlier heritage input into major planning and urban renewal projects.
- Established the Aboriginal Heritage Advisory Committee to provide focused leadership and advice on Aboriginal cultural heritage matters.
- Progressed stronger engagement with Representative Aboriginal Organisations and Traditional Custodians to support contemporary Aboriginal heritage practice.
- Advanced a substantial program of heritage registrations, nominations and reviews across built, natural, Aboriginal and community heritage categories.
- Increased public participation in heritage decision-making through community consultation processes associated with heritage registrations and nominations.
- Strengthened relationships with key stakeholders including the National Trust, the Australian Institute of Architects, heritage precinct representatives and community organisations.
- Contributed to national heritage discussions through participation in Heritage Chairs and Officials of Australia and New Zealand (HCOANZ) and Indigenous Heritage Chair forums.
- Supported greater recognition of Canberra's mid-century modern heritage through registration work, policy discussions and public engagement activities.
- Welcomed a new cohort of Council members who brought diverse expertise and perspectives, strengthening the Council's capacity to deliver its heritage conservation responsibilities.

The Council

All 12 members of the Council are appointed by the Minister for Heritage other than the ex officio members (the ACT Chief Planner and the Conservator of Flora and Fauna). A new composition of Heritage Council memberships commenced in July 2025 following Ministerial appointments, bringing together a mix of new and continuing members with expertise across heritage conservation, architecture, planning, Aboriginal cultural heritage, community engagement and development.

Previous Deputy Chair Cathy Skippington was appointed as Chairperson following the conclusion of Duncan Marshall's term. The Council welcomed new members Bradley Mapiva-Brown as Deputy Chairperson and Laurie McDonald, strengthening Aboriginal representation and cultural heritage expertise.

The Council acknowledged the contribution of Rachael O'Neill, whose term concluded on 1 May 2026, and welcomed Nikos Kalogeropoulos as the new representative for the Property Ownership, Management and Development sector.

Table HC1 – ACT Heritage Council Ministerial appointments 2025–26 as at 30 June 2026

Name	Position	Date appointed	Appointment end
Catherine Skippington	Chairperson and public representative, ACT community	15/7/25	30/6/28
Bradley Mapiva Brown	Deputy Chairperson and public representative, Aboriginal community	15/7/25	30/6/28
Alanna King	Expert member	2/5/26*	30/4/29
Alistair Henchman	Expert member	2/5/26*	30/4/29
Laurie McDonald	Public representative, Aboriginal community	15/7/25	30/6/28
Madeline Shanahan	Expert member	15/7/25	30/6/28
Matt Schlitz	Expert member	15/7/25	30/6/28
Michael Jasper	Expert member	15/7/25	30/6/28
Nicholas Goodwin	Expert member	11/11/25	30/6/28
Nikos Kalogeropoulos	Public representative, property ownership, management and development sector	2/5/26	30/4/29

*Reappointed for a second 3-year term, second term commencing 2026.

Remuneration

Council members are entitled to remuneration as determined by the ACT Remuneration Tribunal. Remuneration paid to Council members for the reporting period totalled $145,371 at the time of reporting.

Strategic direction

The Council aligned its work program with the Minister for Heritage's Statement of Heritage Priorities and developed a response to the Minister on how Council intends to meet these priorities.

Council focused on supporting well-planned housing growth while protecting heritage values, improving planning and approval processes, strengthening First Nations heritage engagement, progressing work on Canberra's mid-century modern heritage, improving heritage data systems and strengthening governance and communication. Council regularly evaluated progress, embedding these priorities into advisory committee work programs.

The Council continued to work collaboratively with ACT Heritage and planning agencies to integrate heritage considerations earlier in strategic planning processes.

The Minister's Statement of Heritage Priorities is available here: **ACT Minister for Heritage - Statement of Heritage Priorities – ACT Government Transparency Portal**

Council business

As of 26 June 2026, ACT Heritage assisted the Council in issuing 993 pieces of advice and/or approvals on applications, submissions and referrals related to the protection and conservation of heritage places within the ACT. Of these, 287 were in response to Heritage Act applications and submissions and 546 were in response to referrals from other Government agencies.

The Council has 4 advisory committees to consider matters to advise the Council before final decisions are made. At its final meeting of 2025–26, Council decided to establish a policy advisory committee that, in the interim, will also consider Conservation Management Plans (CMPs).

There were 22 advisory committee meetings in 2025–26.

Table HC2 – Advisory Committee meetings and membership 2025–26

Taskforce	Purpose	Members	Number of meetings	Number of referrals
Aboriginal Heritage Advisory Committee (AHAC)	This advisory committee for all matters relating to Aboriginal heritage provides advice to assist the Council with complex or controversial matters affecting Representative Aboriginal Organisations and Aboriginal places and objects.	Laurie McDonald (Convenor) Bradley Mapiva Brown Matt Schlitz Alistair Henchman	9	The committee considered key strategic, registration, conservation management, policy and governance matters related to Aboriginal heritage management and consultation with the RAOs in the ACT.
Planning and Development Advisory Committee (PaDAC)	Advises the Council about the potential effect of development on heritage places.	Alistair Henchman (Convenor) Alanna King Matt Schlitz Rachael O'Neill	8	11 matters were referred to the committee
Registrations Advisory Committee (RAC)	Provides recommendations to the Council on provisional and final registration decisions following detailed research and analysis of places and objects against the heritage significance criteria.	Alanna King (Convenor) Bradley Mapiva Brown Catherine Skippington Madeline Shanahan	5	Committee considerations contributed to 38 Council decisions.
Conservation Management Plan (CMP) Advisory Committee	Advises Council on whether a CMP would ensure conservation and responsible management of a heritage place.	Rachael O'Neill (Convenor) Madeline Shanahan Michael Jasper	0	0

Nomination and register decisions

Nominations accepted by the Heritage Council

1. Urambi Hills Scarred Tree
2. Cargill's Dairy Cottage
3. Gungahlin Homestead, Crace
4. Westridge House, Yarralumla
5. Cameron Offices, Belconnen
6. Birrigai Rock Art Site, Paddys River
7. Callum Brae Nature Reserve, Symonston
8. Hobart and Darwin Place, City
9. Tillyard-Wardle Collection

Nominations dismissed by the Heritage Council

1. Canberra Olympic Pool/Civic Pool
2. Big Splash Water Park, Macquarie
3. Open Systems House, Braddon
4. Charles Weston Inner Hills Plantings
5. Hackett Oval Trees

Nominations removed under section 30A Heritage Act

1. *Eucalyptus aggregata* (Black Gum) Habitat on the Kings Highway and 'Felled Timbers' property
2. Cotter Dam Reserve
3. Savannah Woodland
4. *Eucalyptus camphora* (Mountain Swamp Gum) habitat at Shannon's Flat, Cotter River
5. *Drabstrum alpestre* (Mountain Cress) Site
6. Sentry Box Olearia
7. Tharwa Sandwash Remnant Woodland Ribbon Gum
8. Namadgi National Park
9. Tidbinbilla Nature Reserve
10. Wilson House, Aranda
11. Ukranian Orthodox Church, Turner ACT

Decisions to provisionally register on the ACT Heritage Register

1. McKeown House, Watson
2. Urambi Co-Operative Housing Precinct, Kambah
3. Wybalena Grove Precinct, Cook
4. Canberra's Pre-Cast Concrete Bus Shelters
5. Paterson House, 7 Juad Place, Aranda

Decisions not to provisionally register

1. Later Kingston Shops
2. Barton Conference Centre
3. Tuggeranong Skate Park

Decisions to register

1. Early Kingston Shops
2. Brick Banks at the Erindale Skatepark
3. McKeown House, Watson

Decisions to partially cancel

1. Trees of the Former CS&IR Experiment Station

Nominations withdrawn by nominator

1. Canberra Fire Museum Large Technology Object Collection

Secretariat support

ACT Heritage, located within the Directorate, continued to provide administrative and secretariat support for the Council and its activities. A range of matters are delegated under the Heritage Act to ACT Government, including those in relation to heritage guidelines, the heritage registration process, advice about the effect of development on heritage significance, conservation management plans, restricted information and public consultation, including consultation with Representative Aboriginal Organisations.

Contact

ACT Heritage

Heritage@act.gov.au

ACT Veterinary Practitioners Board

Transmittal certificate

ACT Government
City and Environment

Ms Tara Cheyne
Minister for City and Government Services
ACT Legislative Assembly
London Circuit
CANBERRA ACT 2601

Dear Minister

2025–26 ACT Veterinary Practitioners Board Annual Report

This report has been prepared in accordance with section 7(2) of the *Annual Reports (Government Agencies) Act 2004* and in accordance with the requirements under the Annual Report Directions.

It has been prepared in conformity with other legislation applicable to the preparation of the annual report by the ACT Veterinary Practitioners Board.

We certify that information in the attached annual report, and information provided for whole-of-government reporting, is an honest and accurate account and that all material information on the operations of the ACT Veterinary Practitioners Board has been included for the period 1 July 2025 to 30 June 2026.

We hereby certify that fraud prevention has been managed in accordance with the Public Sector Management Standards 2006 (repealed), Part 2.3 (see section 113, Public Sector Management Standards 2016).

Section 13 of the *Annual Reports (Government Agencies) Act 2004* requires that you present the report to the Legislative Assembly within 15 weeks after the end of the reporting year.

Yours sincerely

Dr Bruce Smith
President
4 August 2026

Mr Phil Gritti
Registrar
4 August 2026

Compliance statement

This annexed report confirms compliance with the Annual Report Directions and that relevant information is either contained in this report or, where appropriate, covered in the broader CED Annual Report 2025–26.

Highlights from 2025–26

- The ACT Veterinary Practitioners Board (the Board) commenced a review of its complaints management approach, considering how its regulatory processes can deliver fair, proportionate and transparent outcomes while recognising the practical realities of veterinary practice. This included examining how concerns arise, with a focus on communication and expectations between veterinarians, clients and practices.
- In May 2025, the Board held a planning day to reflect on the operation of the Board and Secretariat. This provided an opportunity to identify key priorities and areas of focus, including recognising constraints, strengthening decision-making integrity and clarifying the Board's strategic direction.

Priorities for 2026–27

- The Board is committed to supporting a more connected and resilient veterinary community across the ACT. This includes strengthening collaboration among professionals, improving access to resources and support and promoting best practice across the sector. As part of this commitment, the Board will host a New Graduate Night in September 2026, providing an opportunity to engage early-career veterinarians, foster professional connections and support their transition into practice. Through these initiatives, the Board aims to build a well-supported network that enhances outcomes for practitioners, animals and the community.
- The Board will continue to explore the development of a modern, integrated database system to streamline the management of core functions including registrations, correspondence and complaints handling. This initiative is expected to improve efficiency by reducing manual processes, strengthening data integrity and supporting more responsive, consistent service delivery through a user-friendly digital platform.

Board membership

The ACT Veterinary Practitioners Board is a statutory body established under the *Veterinary Practice Act 2018*. The Board's broad range of responsibilities are established under section 91 of the Act.

The Board comprises 7 members, all appointed by the Minister. With the exception of the President, the community representative and the non-veterinary practitioner member, all members are registered veterinary practitioners with a minimum of 3 years' registration.

Professor John Kelly was appointed as the Community Representative member, replacing Ms Alison Archer. Dr Amanda-Lee Charman was reappointed as a Registered Veterinary Practitioner member and also assumes the position of Deputy President.

Mr Phil Gritti continued as Registrar. The Registrar oversees the business coordination and secretariat functions for the Board, is responsible for the management of the Board's affairs and provides advice to the Board.

Table VPB1 – ACT Veterinary Practitioners Board Ministerial appointments 2025–26

Name	Position	Date Appointed	Appointment Expiry
Dr Bruce Smith	President	10/01/2025	09/01/2028
Dr Amanda-Lee Charman	Registered veterinary practitioner	15/03/2025	14/03/2027
Dr Rachael Dickie	Registered veterinary practitioner	02/09/2024	01/09/2027
Dr Eleanor Hall	Registered veterinary practitioner	02/09/2024	01/09/2027
Dr Sam Kopra	Registered veterinary practitioner	17/05/2025	16/05/2028
Dr Kate Chetty	Non-veterinary member	05/05/2026	04/05/2029
Ms Alison Archer	Community representative	01/01/2023	31/12/2025
Professor John Kelly	Community representative	01/01/2026	31/12/2028

Table VPB2 – ACT Veterinary Practitioners Board member attendance 2025–26

Members	Jul	Aug	Sep	Oct	Nov	Jan	Feb	Mar	Apr	May	Jun
Dr Bruce Smith	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N
Dr Amanda-Lee Charman	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Dr Rachael Dickie	Y	Y	Y	Y	N	Y	Y	N	Y	Y	Y
Dr Eleanor Hall	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Dr Sam Kopra	Y	Y	Y	Y	Y	Y	Y	N	Y	Y	Y
Dr Kate Chetty	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Ms Alison Archer	N	Y	Y	Y	Y	N/A	N/A	N/A	N/A	N/A	N/A
Professor John Kelly	N/A	N/A	N/A	N/A	N/A	Y	N	Y	Y	Y	Y

Annual general meeting

Under Section 92 of the Act, the Board must hold an annual general meeting of the veterinary profession. Under the Veterinary Practice Regulation 2018 the meeting is to be scheduled within 4 months after the end of the financial year.

The Board held its annual general meeting for 2024–25 on 30 October 2025. The annual general meeting for 2025–26 will be held in the new financial year. As with prior years, all registered veterinary practitioners are invited to attend the meeting. All veterinary practitioners will be provided copies of the following at the meeting:

- the meeting agenda
- a report of the Board activities for the financial year prepared by the President and including:
  - the fees payable by veterinary practitioners under the Act
  - any increases in fees that have been proposed by the Board
  - any remuneration paid or payable to members of the Board.

Australian Veterinary Boards Council

The Board continued to maintain its membership of the Australian Veterinary Boards Council (AVBC) and is an active contributor in the discussion and development of the veterinary profession within Australia and New Zealand.

Dr Bruce Smith undertook the role of ACT representative on the AVBC in 2025–26. The AVBC met regularly via teleconference. The face-to-face annual general meeting, which was attended by Dr Smith and the Registrar, was held in Melbourne in August 2025. The annual general meeting and the annual AVBC conference is attended by state, territory and New Zealand Board representatives and registrars to discuss issues of national interest to the veterinary profession.

Registrations

As of 30 June 2026, 49 veterinary premises and 342 registered veterinary practitioners, including specialists, were registered in the ACT.

Under section 19 of the Act the Board must, within 7 days after the day it makes a decision on an application for registration, advise the applicant of their decision and, if approved, enter the person's details into the register.

Table VPB3 – Registrants and registered premises by year

Registration type	2025–26	2024–25
Number of registered practitioners	342	322
Number of registered premises	49	45

Complaints against practitioners

During 2025–26 the Board received 13 new complaints. Four complaints were carried over from the previous financial year. Of the 17 complaints:

- 14 complaints were resolved
- 1 complaint was withdrawn
- 2 complaints remained under investigation as at 30 June 2026.

Under the Act, the Board is empowered to investigate and undertake disciplinary action against a registered veterinarian. The Board may impose a fine of up to $1,000, impose conditions on a veterinarian's registration and, if justified, suspend a registration for an interim period prior to taking the veterinary practitioner to the ACT Civil and Administrative Tribunal for an occupational discipline hearing. The Board also has other options available to it, such as immediate action.

Complaints process review

In 2025–26, the Board progressed reforms to its complaints management process to support more timely, proportionate and effective resolution of matters raised by the public.

All matters received are first subject to an early assessment or triage process undertaken by the Board. This stage considers whether the issues raised, if substantiated, would meet the legislative threshold for unsatisfactory professional conduct and warrant investigation under the Act.

Where a matter meets the threshold, it proceeds to the formal statutory complaints process, including notification, investigation and determination in accordance with legislative requirements.

Where a matter does not meet the threshold, it is redirected to alternative pathways better suited to the nature of the issue. These pathways may include provision of general clinical information, facilitated communication with the veterinary practice, or referral to other appropriate bodies. This approach enables faster, less formal resolution of lower risk issues.

The new pathway aligns with contemporary dispute resolution principles by resolving matters at the lowest appropriate level, reducing unnecessary formality, time and cost for both complainants and practitioners. It also ensures regulatory resources are focused on matters posing greater risk to animal welfare or public safety.

Overall, the reforms are expected to improve stakeholder experience by delivering more flexible, responsive and proportionate outcomes while maintaining the Board's core regulatory and public protection functions.

Policy development

The Board recognises the pressures on the veterinary profession, as well as the importance of vets and vet nurses to the Canberra community, who are avid pet owners. It continued to support veterinary practitioners so they can continue to provide high quality services for the community and animals.

The Board continued to support the profession through the creation and review of relevant policies to ensure the information being provided is current. As policies become available for publishing, they are circulated via the Board newsletter and made available on the Board's webpage.

Finance

The Board is not a Territory Authority for the purposes of the Financial Management Act. The Board is self-funded and contributes 50% to the Directorate for costs incurred in the provision of the secretariat function.

The Board reports on a cash basis. The financial statements for the Board are audited on a 3-year cycle. The ACT Audit Office completed an audit of the special purpose financial statements of the ACT Veterinary Practitioners Board in June 2024, with the next audit expected in 2027.

The Board reported a cash surplus of $42,141, which is $232,170 better than the budgeted deficit of $190,029 for the year ended 30 June 2026. The primary reasons for this surplus are lower than budgeted expenditure of $212,216, which relates to lower catering, travel, ICT registration platform, other professional services and major projects.

Table VPB4 – Cashflow for 2025–26 and 2024-25

Cash flow($)	2025–26	2024–25
Bank balance (at start of reporting period)	649,115	607,530
Inflows	227,165	198,942
Outflows	185,024	157,357
Bank balance (at end of reporting period)	691,256	649,115

Contact

Registrar, ACT Veterinary Practitioners Board

CED.Vetboard@act.gov.au

Animal Welfare Advisory Committee

Transmittal certificate

ACT Government
City and Environment

Ms Tara Cheyne
Minister for City and Government Services
ACT Legislative Assembly
London Circuit
CANBERRA ACT 2601

Dear Minister

2025-26 Animal Welfare Advisory Committee Annual Report

This report has been prepared in accordance with section 7(2) of the *Annual Reports (Government Agencies) Act 2004* and in accordance with the requirements under the Annual Report Directions.

It has been prepared in conformity with other legislation applicable to the preparation of the annual report by the Animal Welfare Advisory Committee.

I certify that information in the attached annual report, and information provided for whole-of-government reporting, is an honest and accurate account and that all material information on the operations of the Animal Welfare Advisory Committee has been included for the period 1 July 2025 to 30 June 2026.

I hereby certify that fraud prevention has been managed in accordance with the Public Sector Management Standards 2006 (repealed), Part 2.3 (see section 113, Public Sector Management Standards 2016).

Section 13 of the *Annual Reports (Government Agencies) Act 2004* requires that you present the report to the Legislative Assembly within 15 weeks after the end of the reporting year.

Yours sincerely

Georgina McKenzie
Chair
4 August 2026

Compliance statement

This annexed report confirms compliance with the Annual Report Directions and that relevant information is either contained in this report or, where appropriate, covered in the broader CED Annual Report 2025–26.

Animal Welfare Advisory Committee

The ACT Animal Welfare Advisory Committee (the Committee) is established under section 109 of the *Animal Welfare Act 1992* and has several functions set out under the Act. These include to:

- advise the Minister about animal welfare legislation
- advise the Authority about matters in relation to animal welfare including animal welfare legislation
- participate in the development of approved codes of practice and mandatory codes of practice
- provide advice to other Territory authorities and to community bodies about programs for the improvement of community awareness about animal welfare
- advise the Minister about any other matter/s relating to animal welfare
- report annually to the Minister on the Committee's activities.

Throughout 2025–26, the Committee underwent a period of transition as part of a broader Government review of boards and committees, with consideration given to its future structure and purpose. It was determined that the Committee would have a renewed focus as an advisory body, with responsibility for policy development being transferred to the Directorate. This change is intended to streamline processes and strengthen stakeholder engagement and consultation through dedicated policy resources within the Directorate.

A review of the Committee's membership categories was also undertaken and is expected to be finalised in 2026–27 and support the Committee's revised advisory role.

The Committee comprises 11 members, all appointed by the Minister for City and Government Services. The following tables detail the make-up of the Committee, Ministerial appointments and meeting attendance.

Table AWAC1 – Animal Welfare Advisory Committee Ministerial appointments 2025–26

Name	Position	Date Appointed	Appointment Expiry
Ms Georgina McKenzie	A chair who is not affiliated with an animal welfare or animal user group	12/06/2026	11/06/2029
Ms Genevieve Butler	A chair who is not affiliated with an animal welfare or animal user group	01/01/2023	31/12/2025
Dr Kyeelee Driver	A person who is an authorised officer under the *Animal Welfare Act 1992*	10/08/2024	09/08/2027
Ms Michelle Robertson	A person nominated by the RSPCA ACT	30/05/2025	29/05/2028
Dr Lindsay Hamilton	A person nominated by the Australian Veterinary Association	21/03/2025	20/03/2028
Mr John Starr	A person nominated by the ACT Rural Lessees Association	01/01/2023	31/12/2025
Dr Justin Clarke	A person with experience in teaching or research in the field of animal sciences, nominated by— a) the CSIRO or b) an ACT tertiary institution	10/08/2024	09/08/2027
Mr Naaman Kranz	A person nominated by a community-based organisation involved in animal welfare, other than the RSPCA ACT	10/08/2024	09/08/2027
Ms Yolandi Vermaak	A person nominated by a community-based organisation involved in native wildlife matters	10/08/2024	09/08/2027
Dr Hayden Montgomery	A person nominated by an organisation involved in the commercial use of companion animals	21/03/2025	31/12/2025
Mr Wayne Slattery	A person nominated by an organisation involved in the recreational or sporting use of animals	01/01/2023	31/12/2025
Ms Edana Sinclair	A person nominated by the administrative unit with responsibility for the *Nature Conservation Act 2014*	14/12/2024	13/12/2027

Table AWAC2 – Animal Welfare Advisory Committee members attendance 2025–26

Members	July	August	October	December	June
Ms Georgina McKenzie	N/A	N/A	N/A	N/A	Yes
Ms Genevieve Butler	Yes	Yes	Yes	Yes	N/A
Dr Kyeelee Driver	Yes	Yes	No	No	No
Ms Michelle Robertson	Yes	Yes	Yes	Yes	Yes
Dr Lindsay Hamilton	Yes	Yes	Yes	Yes	Yes
Mr John Starr	Yes	Yes	Yes	Yes	N/A
Dr Justin Clarke	No	No	Yes	Yes	Yes
Mr Naaman Kranz	Yes	Yes	No	Yes	Yes
Ms Yolandi Vermaak	Yes	Yes	No	Yes	Yes
Dr Hayden Montgomery	Yes	Yes	Yes	No	N/A
Mr Wayne Slattery	Yes	Yes	Yes	No	N/A
Ms Edana Sinclair	Yes	Yes	Yes	Yes	Yes

Contact

CED Boards and Committees

CED.BoardsCommittees@act.gov.au

Chief Planner (Territory Planning Authority)

Transmittal certificate

ACT Government
City and Environment

Mr Chris Steel
Minister for Planning and Sustainable Development
ACT Legislative Assembly
London Circuit
CANBERRA ACT 2601

Dear Minister

2025–26 Chief Planner Annual Report

This report has been prepared in accordance with section 7(2) of the *Annual Reports (Government Agencies) Act 2004* and in accordance with the requirements under the Annual Report Directions.

It has been prepared in conformity with other legislation applicable to the preparation of the annual report by the Chief Planner.

I certify that information in the attached annual report, and information provided for whole-of-government reporting, is an honest and accurate account and that all material information on the operations of the Chief Planner has been included for the period 1 July 2025 to 30 June 2026.

I hereby certify that fraud prevention has been managed in accordance with the Public Sector Management Standards 2006 (repealed), Part 2.3 (see section 113, Public Sector Management Standards 2016).

Section 13 of the *Annual Reports (Government Agencies) Act 2004* requires that you present the report to the Legislative Assembly within 15 weeks after the end of the reporting year.

Yours sincerely

George Cilliers
Chief Planner
3 August 2026

Compliance statement

This annexed report confirms compliance with the Annual Report Directions and that relevant information is either contained in this report or, where appropriate, covered in the broader CED Annual Report 2025–26.

Chief Planner

The Territory Planning Authority (the Authority) sits within CED and handles statutory decision making for the Territory in accordance with the *Planning Act 2023* (the Planning Act).

The ACT Chief Planner, a statutory position held by a suitably qualified person, is the Authority. The functions of the ACT Chief Planner and the Authority are outlined in the Planning Act and carried out independently from the functions of the Directorate more broadly. The Minister for Planning statutory responsibilities under the Planning Act relate to matters such as Territory Priority Projects, concessional leases and environmental impact statements (EIS).

Mr George Cilliers, Executive Group Manager, Statutory Planning in CED, held the position of ACT Chief Planner from 1 July 2025 to 30 June 2026. Acting Chief Planner arrangements were in place to ensure continuity of the role whenever Mr Cilliers was on leave, interstate or overseas.

Detailed information including governance, delegations, referral entities, advisory bodies, review and oversight can be found on the **Authority's website**.

Training and education resources about the new planning system are available on the Planning website.

Ministerial directions

Section 20 of the Planning Act provides that the Minister for Planning may give a written direction to the Authority about general policies the Authority must follow and/or requiring the Authority to review or prepare an amendment to the Territory Plan.

There were no directions to the Authority from the Minister during the reporting period.

Territory Priority Projects

A **Territory Priority Project** is defined in the Planning Act as a development proposal that is declared to be a Territory Priority Project or is related to light rail. A Territory Priority Project declaration is where the Chief Minister and Planning Minister jointly declare that a proposal is a Territory Priority Project under section 218 of the Planning Act.

There were 2 Territory Priority Project (TPP) declarations during the reporting period:

- The proposed Inner South Health Centre was declared as a TPP in February 2026.
- The proposed Northside Hospital Project (including Early and Enabling Works) was declared as a TPP in February 2026.

Statutory planning functions

The Statutory Planning Group within CED facilitates and manages growth and change within the ACT through development assessment and leasehold management, with the overarching objective of promoting and facilitating economically productive, sustainable, attractive, safe and well-designed urban and rural environments in the ACT.

Authority functions are outlined under the Planning Act. Some of these functions, such as those relating to the Territory Plan, leases and development applications (DAs), are statutory.

DA Gateway

The DA Gateway team provides a single point of contact for industry and the community for all DAs and planning related matters through phone calls, emails and the Salesforce web-based platform. The team does all pre-lodgement processes including pre-application meetings and DA completeness checks.

Table CP1 – DA Gateway performance 2025–26

Activities	Number
Planning enquiries actioned through phone calls	4829
Planning enquiries responded to online and via email	3833
Completeness checks actions (including new DAs, amendment applications and resubmissions)	1839
Average response rate for completeness checks in working days	5.24
First time failure rate for completeness checks	76%
Pre-application proposals considered through document review or online meetings	23
In-person meetings about pre-application proposals attended on request	101

Overall, the number of completeness checks undertaken (including amendments and resubmissions) was slightly lower than the previous year. However, performance improvements were achieved, including a reduction in first-time failures and improved overall processing timeframes.

While phone enquiries were slightly lower, written advice provided via email increased significantly, rising from 2,262 to 3,833 enquiries (including 305 responses managed through Salesforce).

This reflects a deliberate approach to encourage customers to seek advice through written channels where appropriate, enabling more efficient engagement and clearer records of advice provided, improving service delivery outcomes.

Deed Management

The Deed Management team is responsible for overseeing holding leases and deeds of agreement for both greenfield and infill development projects that require public infrastructure. The team also serves as the primary point of contact for coordinating and circulating estate development plans and indicative development plans to relevant agencies and service utilities for comment prior to the lodgement of a subdivision design application.

There were 6 variations made to the deeds. As at 30 June 2026, 48 deeds were under management, with an additional 7 deeds under investigation and preparation for future development sites.

Deed management activity remained steady, with a slight increase in the preparation of new deeds of agreement and deeds of variation, reflecting changing developer priorities and continued engagement across development projects. While reduced market demand led to fewer lease requests from private sector developers, Suburban Land Agency lease issuances remained stable, demonstrating ongoing development activity. Deed Management also successfully managed a significantly higher volume of Suburban Land Agency lease reprints compared to the previous financial year.

Looking ahead, the team will continue to focus on delivering timely deed and lease outcomes while responding effectively to evolving development and market conditions.

DA Assessment

The DA Assessment team assesses and determines all standard and significant DAs, which applies to most developments, including varying a lease, multi-unit residential developments, commercial developments, single dwelling houses and subdivision design applications under the Planning Act.

DAs are processed as efficiently as possible to achieve statutory timeframes. Table CP2 outlines statutory timeframes that are targeted, with some deviations explained depending on how the DA progresses.

Typically, longer statutory timeframes apply to larger and more complex development proposals. For example, significant developments (as defined in the Planning Act) require careful consideration of community concerns. Significant developments require 2 rounds of public and entity notification, which often leads to additional considerations by the Authority. The time needed for these additional considerations is factored into the statutory timeframes and also contributes to the overall DA processing timeframes.

Table CP2 – DA statutory timeframes

DA type	Representations necessary	Statutory timeframe to make a decision
Significant development	Yes or No	60 working days
Standard development	Yes	45 working days
Standard development	No	30 working days
Concurrent DAs	No	10 working days after concurrent process is complete

Any requests for further information, pre-decision advice and DA amendments also influence the timeframes. Specifically:

- when further information is requested, the DA timeframe pauses from the day of the request
- when further information is provided, the DA timeframe recommences
- when further information is not provided within 18 months, the DA is withdrawn
- pre-decision advice pauses the DA timeframe on the day of the advice
- requesting a decision on a DA in its current form (in response to pre-decision advice) recommences the DA timeframe
- amendment to the DA restarts the DA timeframe.

Table CP3 – DA Assessment performance 2025–26

Activities	Number
Total DAs received	753
Total DAs determined	727
Merit Track DAs received	0
Merit Track DAs determined	2
Standard DAs received	690
Standard DAs determined	694
Significant DAs received	63
Significant DAs determined	50
Generated construction work to ACT economy from DA determinations	$2,288,672,145
Determined DA amendment under the Planning Act	168
Determined applications to satisfy conditions of approval under the Planning and Development Act	93
Determined applications to satisfy the conditions of approval under the Planning Act	420

Overall DA lodgements and decisions in 2025–26 remained steady, with 16 fewer DAs received than the previous reporting period. Some key differences for 2025–26 were:

- an expected increase in the number of decisions made within the 2023 planning system in comparison to decisions from the previous planning system
- an increase in the proportion of significant development DAs received. In the previous reporting period, significant development DAs made up approximately 6% of all DAs received in comparison to 8.5% in 2025–26
- an increase in the value of construction work generated from DA determinations, from $2.1 billion to $2.3 billion.

Exemption declaration applications

An exemption declaration is a type of planning approval, granted by the Authority, for single dwelling homes that meet relevant exemption criteria, except for one or more minor departures.

An exemption declaration is issued under the Planning (Exempt Development) Regulation 2023 to certify that, despite the minor departures, a single dwelling proposal can still be considered as DA exempt. An exemption declaration is a quick planning decision without the same level of review or assessment as a DA. Accordingly, decisions are required to be made within 10 working days.

Table CP4 – Exemption declaration performance 2025–26

Activities	Number
Exemption declaration applications lodged	862
Exemption declaration applications determined	858
Average processing time for exemption declaration applications	4

In 2025–26, the approximate 9% and 13% increase in exemption declaration applications received and decided, respectively, compared to the previous reporting period.

Environmental Assessments

The Environmental Assessment team is responsible for administering environmental impact assessment processes and assessing significant DAs where there is a potentially significant impact on the environment. These assessment processes aim to minimise impacts on the environment through avoidance or mitigation or, as a last resort, offset measures.

The team also reports on implementation of strategic assessments in accordance with the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act).

Table CP5 –Environmental Assessment performance 2025–26

Activities	Number
Environment Impact Statement assessment reports prepared for the Minister	4
Environment Impact Statements under assessment as of 30 June 2026	1
Environment Impact Statement exemption under assessment	1
Applications for environmental significance opinions processed	51
Significant DAs determined	2
Significant DAs under assessment as of 30 June 2026	1
Responses to referrals received under the EPBC Act prepared	3
Construction environmental management plans reviewed and endorsed	15

During 2025–26, 4 of the 5 environment impact statements that were under assessment in the previous reporting period were progressed to the Minister. The number of environmental significance opinion applications processed during this reporting period remained steady when compared to the previous period.

DA Leasing

All private land in the ACT is under lease (not freehold). The Authority provides all land use and leasing services, including:

- answering public leasing enquiries
- providing pre-DA leasing advice
- assessing standard and significant Crown lease variation development applications
- assessing and determining DAs to remove the concessional status from a lease
- post-approval leasing matters, such as lease variation charges (LVC), drafting instruments and issuing of Crown leases in accordance with approved DAs
- all other leasing matters outside of the DA process.

Table CP6 – DA leasing performance 2025–26

Activities	Payments ($)	Number
LVC determinations made	$37,032,257.05	143 determinations made 127 payments made
LVC determinations made in the Deferred Payment Scheme	$10,796,257.00	28
LV-only DAs received	N/A	86
DAs commented on	N/A	313
DAs determined	N/A	85
Variation instruments and Crown leases registered	N/A	113
Rent relief applications	0	2

DA leasing performance of DAs received and determined remained steady in 2025–26. This reporting period saw an approximate 13% increase in the amount of LVC determinations made and a significant increase in the value of LVC payments of approximately $33 million.

Table CP7 – Leases issued 2025–26

Activities	Number of leases	Number of dwellings
Consequential leases to private sector land developers – single residential	62	62
Consequential leases to private sector land developers – multi-unit	4	381
Consequential leases to private sector land developers – mixed use/other	1	0
Leases on behalf of the Suburban Land Agency – single residential	426	426
Leases on behalf of the Suburban Land Agency – muti-unit	23	100
Total	**516**	**969**

Table CP7 describes leases issued to private sector land developers and leases issued on behalf of the Suburban Land Agency. The leasing team and the Suburban Land Agency issue leases. The Suburban Land Agency has a delegation for this purpose under sections 263 and 265 of the Planning Act.

The team re-issued 142 leases on behalf of the Suburban Land Agency (this figure is excluded from the total number of leases).

Table CP8 – Non-DA leasing services performance 2025–26

Activities	Details
Land transfer applications subject to building and development provisions	162 received (5 pending, 2 withdrawn) 155 approved
Land transfer/sublease applications other than building and development provisions	26 received 26 approved
Management of Crown leases granted	60 further leases 19 executive leases
Licence applications to occupy or use unleased Territory Land	86 received 65 approved
Deeds of variation to licences	4 received 3 executed
Unit title applications	72 received 56 approved 51 registered
Community title applications	1 received 1 approved
Rural leases processed	0 subleases 1 transfer 0 land withdrawals
Land rent payouts	21 received 20 executed (settled)
Rent reappraisals	20 received (waiting for valuation) 27 processed
General lease interpretations/advice	121 received 109 completed 7 refunded
Liquor licence advice	69 received 62 completed 5 refunded
Motor vehicle dealer licence advice	6 received 5 completed 0 refunded
Determination of concessional status leases	8 received 25 processed

Overall, non-DA leasing services remained steady. This reporting period saw about a 25% reduction in land transfer applications received, but an approximate 147% increase in lease interpretations and advice given.

Review of decisions

Under the Act there is a process for development applications to be reconsidered. During 2025–26, 19 decisions were determined via reconsideration.

Some DAs are subject to review through the ACT Civil and Administrative Tribunal (ACAT) or other judicial review processes. The Authority prepares documentation for the matters and provides assistance to ACAT. Twenty ACAT applications were made in relation to DAs.

Statutory Planning Complaints Policy

The Directorate continued to receive, consider and respond to stakeholder feedback in line with its Statutory Planning Complaints Policy. The policy, introduced in late 2020, ensures the independent Authority has an open and transparent approach to dealing with complaints or feedback. It provides an avenue for complaints to be made in relation to conduct, processes or actions of Authority staff when performing both their statutory and non-statutory functions.

The Authority received a range of feedback on processes during the year. All complaints are taken seriously; as described above, there are different pathways for treatment of a complaint. One complaint was received that warranted further investigation in line with the policy. This related to entity advice prior to the DA process and was referred to the relevant entity. Following this, the Authority reviewed its internal processes, including outgoing communication throughout the assessment process.

Feedback provides valuable information about the Authority's business operations and service delivery. It also provides a sound evidence base to pursue internal business improvement initiatives. The Authority will continue to impartially review its internal processes in line with complaints received.

Integrity Framework

The Statutory Planning Division's Integrity Framework is in response to the division's commitment to integrity. The framework promotes transparent and open business processes and raises awareness of measures and policies relating to integrity issues. This consists of additional policies (i.e. the division's Integrity Plan and the conflict of interest and meetings policy). The framework also includes procedures, such as the staged assessment of development applications where at least 3 officers are involved in any one assessment. The framework aims to prevent or reduce any opportunities for fraud or corruption.

The Integrity Plan is supported by the Directorate's integrity policy suite, which includes the Portfolio Fraud and Corruption Prevention Plan, CED Conflict of Interest Policy and Procedures and the Purchase of Land by Portfolio Staff, Contractors and Public Sector Members Policy.

Officers within the Statutory Planning Division have also completed mandatory training, in particular relating to matters of integrity.

Statutory Planning is currently reviewing the framework to ensure its relevance to the Division.

Offset Register

Under section 242 of the Planning Act the Authority must keep a register of each environmental offset. The Offset Register is available on the Planning website.

Spatial data and land information

The Office of the Surveyor-General and Land Information (OSGLI) provides accessible and accurate spatial data information analytics to Government, industry and the community including land boundaries, land use, roads topography, heights, contours, infrastructure, environmental attributes, place names, addresses, land titles and licences. This is achieved through a variety of information systems including maintenance of the Spatial Data Management System and the main viewing application, ACTMapi.

OSGLI provides additional functions under the *Surveyors Act 2007* and the *Public Place Names Act 1989*.

Strategic planning functions

Strategic planning functions are outlined under the Planning Act. The Chief Planner has delegated the Authority's strategic planning functions to the Policy, Planning and Built Environment Group within the Directorate.

The Territory Plan, Planning Strategy and District Strategies 2023 are all notifiable instruments under the Planning Act.

Statement of Planning Priorities

The Minister's annual Statement of Planning Priorities informs key priorities for the planning portfolio for the financial year. The 2025–28 Statement of Planning Priorities was published during the reporting period.

Planning Strategy

The ACT Planning Strategy articulates the long-term planning policy and goals for the ACT including strategic direction and desired future planning outcomes. There were no reviews or amendments of the Planning Strategy during the reporting period.

District Strategies

The District Strategies 2023 state the long-term planning policy and goals for each of the ACT's 9 districts, consistent with the Planning Strategy. There were no reviews or amendments of district strategies during the reporting period.

Territory Plan

The Territory Plan guides planning and development in the ACT by outlining what development can take place and where. The process of changing the Territory Plan is through a 'plan amendment'.

Major plan amendments

Major plan amendments (MPA) tend to represent larger changes to the Territory Plan, such as the implementation of new Government policy or more complex changes, such as land use zoning changes in existing urban areas.

There are 3 ways an MPA can be initiated:

- proponent-initiated
- Territory Planning Authority-initiated
- minister-initiated.

While the types of MPAs are initiated in slightly different ways, they follow the same assessment and consideration process that is outlined on the Planning website.

During the reporting period and as of 30 June 2026:

- 5 proponent-initiated MPA applications were decided within the statutory timeframe:
  - 2025-01 – Former Braddon Bowls Club was approved
  - 2025-03 – Gungahlin Rural Block 800 was refused
  - 2025-04 – Belconnen Section 65 Block 42 was approved
  - 2025-05 – Block 348 Gungahlin was refused
  - 2025-06 – Brindabella Christian College car park was approved
- 1 proponent-initiated MPA application was under consideration:
  - 2026-01 – Scentre Group Woden Town Centre
- 2 DPAs were open for consultation:
  - DPA-13 – Pialligo bulk landscape supplies
  - DPA-14 – Block 1653 Belconnen – Green waste recycling facility and bulk landscape supplies
- 6 DPAs were under consideration following consultation:
  - DPA-07 – Former Braddon Bowls Club is being considered by the Standing Committee on Environment and Planning
  - DPA-08 – Thoroughbred Park Precinct
  - DPA-09 – Northern Gateway
  - DPA-10 – Expansion of Telopea Park School facilities
  - DPA-11 – Belconnen Section 65 Block 42
  - DPA-12 – Brindabella Christian College car park
- 1 MPA was approved by the Minister:
  - MPA-04 – Missing Middle Housing Reforms was approved by the Minister, due for commencement on 1 July 2026
- 6 MPAs were completed:
  - MPA-B – Forrest Section 19 Blocks 5, 6, 9, 11 and 12 was approved by the Minister on 1 May 2026 and commenced on 17 June 2026
  - MPA-01 – Fraser Section 64 Block 6 was approved by the Minister on 3 June 2025 and commenced on 23 September 2025
  - MPA-02 – Ainslie Section 26 Blocks 11, 16, 20, 21 and 22 was approved by the Minister on 21 August 2025 and commenced on 7 October 2025.
  - MPA-03 – Blocks 2,7 and 8 Section 74 Holt was approved by the Minister on 14 October 2025 and commenced on 14 November 2025
  - MPA-05 – Removing the Future Urban Area overlay and setting zoning for a number of sites, including Bluetts Block and Coombs Peninsula, was approved by the Minister on 27 November 2025 and commenced on 20 March 2026
  - MPA-06 – Inner South Health Centre – Blocks 33 and 39 Section 78 Griffith was approved by the Minister on 30 April 2026 and commenced on 17 June 2026.

Minor plan amendments

Minor amendments have limitations on the types of changes that can be made to the Territory Plan. Common changes to the Territory Plan by minor amendments:

- remove duplication, errors and provide clarity in the Territory Plan
- support the implementation of the subdivision design process, to facilitate the delivery of new land
- support minor relocation of boundaries to support the intentions of an agreed development.

Minor amendments are prepared by and commenced with the Authority and, depending on type, may not require public consultation. In 2025–26, 16 minor amendments were made, with 5 requiring consultation. No further minor amendments were placed on consultation.

Review of Territory Plan outcomes

The ACT Planning System Evaluation Framework 2024–29 commenced on 1 July 2024 and will be implemented over 5 years. Early planning for evaluations under the framework indicated the need for a 'process' evaluation of its implementation and a 'planning outcomes' evaluation in the fifth year (2028–29).

Implementation of the framework progressed through the establishment of new monitoring and evaluation processes to support continuous improvement of the planning system. This included delivery of the annual proponent survey in 2024 and 2025 to assess user perceptions of planning system efficiency and usability. Survey findings highlighted opportunities to improve in the areas of assessment timeliness, application complexity, digital systems and consistency of decision-making. Generally positive feedback was received regarding staff interactions.

The survey results are informing ongoing work associated with the Development and Planning Process Reset Project, which has resulted in the Directorate commencing a range of operational, process and digital reforms aimed at improving efficiency, transparency and predictability while supporting high-quality planning outcomes and housing delivery.

Work also commenced on a Development Application Design Audit Framework to monitor changes in development design quality over time.

CED has also maintained a DA decision register to assist DA assessing officers to maintain consistency across determinations. The data captured includes information regarding dual occupancy development including the number of DAs lodged and approved, the impact to dwelling numbers and location information.

Compliance functions

The Chief Planner has delegated some of the Authority's functions to Access Canberra within CED. Access Canberra, as delegates of the Chief Planner, has responsibility for investigations of complaints and compliance and enforcement under Chapter 12 of the Planning Act – Development offences and controlled activities.

Officers in Access Canberra also undertake compliance and enforcement under a range of other ACT legislation.

Table CP9 – Complaints 2025–26

Planning complaints received by Access Canberra	Number
Encroachment including fencing, privacy, setbacks and solar access	155
Lease compliance including business, unapproved structures and untidy blocks	873
Site compliance (building) and other	18
Total	**1046**

Table CP10 – Enforcement 2025–26

Enforcement action	Number
Show cause notice for controlled activity order	13
Controlled activity order	9
Infringement notice	3
Prohibition notice	0
Total	**25**

Contact

Territory Planning Authority

https://www.planning.act.gov.au/contact

Conservator of Flora and Fauna

Transmittal certificate

ACT Government
City and Environment

Ms Suzanne Orr
Minister for Climate Change, Environment, Energy and Water
ACT Legislative Assembly
London Circuit
CANBERRA ACT 2601

Dear Minister

2025–26 Conservator of Flora and Fauna Annual Report

This report has been prepared in accordance with section 7(2) of the *Annual Reports (Government Agencies) Act 2004* and in accordance with the requirements under the Annual Report Directions.

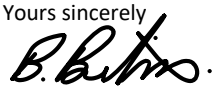
It has been prepared in conformity with other legislation applicable to the preparation of the annual report by the Conservator of Flora and Fauna.

I certify that information in the attached annual report, and information provided for whole-of-government reporting, is an honest and accurate account and that all material information on the operations of the Conservator of Flora and Fauna has been included for the period 1 July 2025 to 30 June 2026.

I hereby certify that fraud prevention has been managed in accordance with the Public Sector Management Standards 2006 (repealed), Part 2.3 (see section 113, Public Sector Management Standards 2016).

Section 13 of the *Annual Reports (Government Agencies) Act 2004* requires that you present the report to the Legislative Assembly within 15 weeks after the end of the reporting year.

Yours sincerely



Bren Burkevics
Conservator of Flora and Fauna
6 August 2026

Compliance statement

This annexed report confirms compliance with the Annual Report Directions and that relevant information is either contained in this report or, where appropriate, covered in the broader CED Annual Report 2025–26.

The Conservator

The Conservator of Flora and Fauna is a statutory position established under the *Nature Conservation Act 2014* (NC Act), with responsibilities under the *Planning Act 2023*, *Fisheries Act 2000* and *Urban Forest Act 2023*.

Mr Bren Burkevics, Executive Group Manager of the Environment, Heritage and Parks Group in CED held the position in 2025–26. The Conservator acts on matters affecting nature conservation in the ACT. The role includes developing and overseeing nature conservation policies, programs and plans, and monitoring the state of nature conservation.

Action plans and strategies

The NC Act requires action plans for relevant threatened species, ecological communities and key threatening processes. Action plans set out proposals to protect species and communities, support their survival and reduce threatening processes.

The ACT had 32 action plans during 2025–26. Most were developed in association with habitat-based conservation strategies and covered:

- 27 plans for threatened species (3 mammals, 4 birds, 3 reptiles, 1 amphibian, 4 fish, 3 invertebrates and 9 plants)
- 3 plans for ecological communities (Box–Gum Woodland, Native Temperate Grassland, and High-Country Bogs and Fens)
- 1 plan for a key threatening process (Loss of Mature Native Trees)
- 1 plan for listed migratory bird species (covering 27 migratory birds).

The Conservator reports to the Minister on action plans every 5 years. In 2025–26, several 5-year effectiveness reviews were drafted and are expected to be finalised in the next reporting period. Summaries will be published on the Office of the Conservator of Flora and Fauna website.

From the next reporting period, new action plans will cover taxonomic groups subject to common threats such as frogs, woodland birds, hollow-dependent birds and critical weight range mammals. This approach will focus management on priority threats and support clearer measures of success.

Conservation advice accompanies listings for threatened native species, ecological communities and key threatening processes, and provides initial guidance to the Minister and Conservator. The ACT Scientific Committee has notified 76 instruments of conservation advice since 2018, including 3 instruments during the 2025–26 reporting year.

Native species conservation plans

Under section 117 of the NC Act, the Conservator may prepare native species conservation plans for species with special protection status or where otherwise appropriate. Current plans include:

- Murray Cod Native Species Conservation Plan
- Gula (Koala) Native Species Conservation Plan
- Grey-headed Flying-fox Native Species Conservation Plan

Reserve management plans

Public land identified in the Territory Plan must be managed in accordance with a public land management plan. For reserves managed by the Parks and Conservation Service, the land management plan is known as a reserve management plan and is prepared under the NC Act.

Reserve management plans identify the reserve, set out how management objectives are to be implemented and may assign areas to International Union for the Conservation of Nature categories.

Under section 177 of the NC Act, when preparing a draft reserve management plan, the land custodian must consult the Conservator and the Territory Planning Authority.

No plans were referred to the Conservator for consultation during the 2025–26 reporting year.

Conservator guidelines

The Conservator may make guidelines under section 23 of the NC Act. No new guidelines were finalised in 2025–26.

Minister's Directions

Under section 34 of the NC Act, the Minister may direct the Scientific Committee to provide advice about a stated nature conservation matter.

The Minister did not issue any directions in the 2025–26 reporting year.

Statutory planning obligations

Under the Planning Act, the Conservator provides advice on protected matters, including major plan amendments, environmental impact statements and development applications.

The Conservator was consulted on:

- 10 draft major plan amendments
- 1 draft environmental impact statement
- 3 revised environmental impact statements.

The Conservator also provided 24 environmental significance opinions for proposed developments that were unlikely to have a significant adverse environmental impact.

Licensing

The following licences relating to plants, animals and fish were issued under the NC Act. On 1 February 2026, this function transferred to Access Canberra.

Table CFF1 – Total licences issued under the Nature Conservation Act as of 30 June 2026

Licence type	Number
Keep licences (these licences include the private and commercial keeping of native animals including birds, reptiles, amphibians and a small number of exotic species)	1,978
Import a non-exempt animal into the ACT	86
Export a non-exempt animal from the ACT	84
Take native flora and fauna from the wild (these licences are entirely for scientific research)	149
New keep licences to keep a non-exempt animal	493
Remove and/or interfere with the nest of a native animal (these licences are entirely related to authorised tree removal and result in the relocation of the nest and animal)	24
Import/export live fish under the Fisheries Act (these licences are entirely related to the pet retail industry)	1
Other licences relating to reserves (prohibited and restricted activities: motor vehicle in reserve, traps in reserve)	50
Licences relating to land – small works	8
Licences to sell for private keepers	20
Landholder authorisations	81
Shooter authorisations	96
Remove native timber	4
Scientific licences under the Fisheries Act	2
Total licences	**3,076**

Investigations

NC Act investigations covered a range of offences during 2025–26.

Formal compliance, regulatory action and prosecutions were lower than in the previous reporting period. This reflected continued education and engagement, as well as the challenges of investigating matters where reporting is delayed or alleged perpetrators cannot be identified.

Animal cruelty

Several reports of native animal cruelty were investigated. In many cases, perpetrators could not be identified or there was insufficient evidence to support prosecution.

Two significant matters were referred to the Australian Federal Police (AFP). One involved attacks on ducks at Stromlo Forest and associated antisocial and criminal behaviour. Following AFP intervention, the animal cruelty offences ceased and the alleged perpetrators were prosecuted for other criminal behaviour.

The second matter involved reports of possums being illegally trapped and potentially harmed with firearms. The matter was referred to the AFP due to the seriousness of the reports and no further animal cruelty reports have been received.

Dogs in reserves

Dogs in reserves remains one of the most common offences encountered by rangers, including dogs being present where prohibited or off-leash where leashes are required.

These matters are often addressed through on-the-spot education or by directing people to leave the reserve. A late-2024 Parks and Conservation Service campaign and ongoing engagement appear to have helped reduce offences.

Two significant matters were investigated but could not be successfully prosecuted. Information was shared with the AFP to support future compliance and intervention.

An ongoing prosecution relating to 2 offences involving dogs in reserves, among several other offences identified in Namadgi National Park in 2023, is scheduled for hearing in August 2026.

Damage land in reserves

Several reports of damage in reserves were investigated. Where perpetrators could be identified, engagement and education visits were undertaken to address the behaviour.

Damage infrastructure in reserves

Reports of damage to gates and locks in hotspot areas were investigated. The Parks and Conservation Service is considering strategies to reduce this behaviour and improve evidence collection.

Fisheries compliance

One warning notice was issued for fishing in prohibited waters and 5 verbal warnings were issued for excessive rods. This was a marked decline from 2024–25 and is partly attributed to continued compliance, education and engagement.

Prohibited fishing gear

Reports of illegal fishing gear are common, although gear is often unattended and the owner cannot be identified. One drum net, 11 illegal yabby net, and 2 set lines were seized.

Keeping non-exempt animals

Two native pythons and an exotic Reeve's Turtle came into care as escaped pets. The pythons were rehomed to existing licence holders. The Reeve's Turtle, listed as endangered on the IUCN Red List, was donated to a ZAA-accredited zoo, with biosecurity risks managed.

Unauthorised public land use in reserves/prohibited activity in reserves

Investigation continued into an unauthorised rave party held in a reserve in mid-2025, although perpetrators were difficult to identify.

A separate prohibited activity matter involving an emergency landing by a commercial hot-air balloon resulted in engagement, education and a warning letter to the operators and pilot.

Vehicles in reserves

The Parks and Conservation Service continued to detect and investigate vehicles in restricted reserve areas. Two infringement notices were issued, and one matter involving potential criminal and traffic offences was referred to the AFP.

Woodcutting in reserves

Illegal woodcutting remains a significant issue in ACT reserves. Public reporting supports detection, but investigation and prosecution can be limited by the available information. A winter ACT Government campaign reinforced messages about using commercial firewood and not removing wood from reserves.

Tree registration and protection

The Conservator decides nominations for exceptional tree registration and applications for tree-damaging activities on protected trees. Urban Forest Act reporting for 2025–26 is provided in Section B17.

Land Management Agreements

Land Management Agreements (LMAs) are required for all ACT rural leases under Part 10.8 of the Planning Act. LMAs support sustainable agricultural management, farm biosecurity, ecological and cultural values, and environmental protection.

Table CFF2 – Land Management Agreements status as of 30 June 2026

Status	Number
Due for renewal	51
Current	110
In progress	12
Outstanding	11

Grazing on unleased Territory lands

Grazing licences support ecological outcomes, bushfire fuel management and relief grazing on unleased Territory land. Licences are short term, reviewed every 1–3 years and issued for CED-managed land on behalf of the Conservator.

Table CFF3 – Grazing on unleased Territory lands licences as of 30 June 2026

Status	Number
Active licences	15
New licences issued	10
Licences in progress	24

Contact

Conservator of Flora and Fauna

Email: conservatorflorafauna@act.gov.au

Energy Efficiency Improvement Scheme Administrator

Transmittal certificate

ACT Government
City and Environment

Ms Suzanne Orr
Minister for Climate Change, Environment, Energy and Water
ACT Legislative Assembly
London Circuit
CANBERRA ACT 2601

Dear Minister

2025–26 Energy Efficiency Improvement Scheme Administrator Annual Report

This report has been prepared in accordance with section 7(2) of the *Annual Reports (Government Agencies) Act 2004* and in accordance with the requirements under the Annual Report Directions. It has been prepared in conformity with other legislation applicable to the preparation of the annual report by the Energy Efficiency Improvement Scheme Administrator.

I certify that information in the attached annual report, and information provided for whole-of-government reporting, is an honest and accurate account and that all material information on the operations of the Energy Efficiency Improvement Scheme Administrator has been included for the period 1 July 2025 to 30 June 2026.

I hereby certify that fraud prevention has been managed in accordance with the Public Sector Management Standards 2006 (repealed), Part 2.3 (see section 113, Public Sector Management Standards 2016).

Section 13 of the *Annual Reports (Government Agencies) Act 2004* requires that you present the report to the Legislative Assembly within 15 weeks after the end of the reporting year.

Yours sincerely

Fiona Wright

Administrator

4 August 2026

Compliance statement

This annexed report confirms compliance with the Annual Report Directions and that relevant information is either contained in this report or, where appropriate, covered in the broader CED Annual Report 2025–26.

Energy Efficiency Improvement Scheme

The *Energy Efficiency (Cost of Living) Improvement Act 2012* created the Energy Efficiency Improvement Scheme (EEIS). The EEIS requires electricity retailers to achieve certain energy savings in households and small-to-medium enterprises during a compliance year.

For this Act, compliance year refers to calendar year (that is, 1 January 2025 to 31 December 2025). The EEIS Administrator is appointed under section 23 of the Act.

Administrator

On 30 July 2019, the Minister appointed the Executive Group Manager, Climate Change, Energy and Water as the Administrator by way of the **Energy Efficiency (Cost of Living) Improvement (Administrator) Appointment 2019**.

Ms Fiona Wright, Executive Group Manager - Climate Change, Energy, Water and Waste Division, currently serves as the EEIS Administrator. The Administrator is supported by a team of 3 administrative officers, a policy officer and a team manager.

National Energy Retail Law (NERL) retailer compliance

The EEIS sets energy savings targets for electricity retailers in the ACT, expressed as a percentage of total electricity sales. The target for 2025 was 14.6%. Retailers are categorised as tier 1 or tier 2 based on their customer numbers and annual electricity sales. In 2025, there was one tier 1 retailer and 26 tier 2 retailers.

Tier 1 retailers meet their obligations by delivering eligible energy efficiency activities or acquiring energy saving factors from approved providers. They must meet a 40% priority household target, directing savings to eligible households. All activities are subject to annual compliance reporting, verification and reconciliation against targets. Comprehensive information on retailer compliance and auditing processes is outlined in the Act. Tier 1 compliance assessment for 2025 is underway and will be determined by the Administrator later in 2026.

Tier 2 retailers can undertake activities, purchase energy saving factors, or make a financial contribution to the scheme. In 2025, all 26 tier 2 retailers complied through financial contributions totalling $4.99 million, used to support administration of the scheme and ACT Government energy efficiency programs that achieve Objects under the Act.

EEIS activities

The eligible activities reported by the tier 1 electricity retailer between 1 January to 31 December 2025 are summarised in Table EEIS.1. A comprehensive list of eligible activities that electricity retailers can choose to deliver is contained in the Energy Efficiency (Cost of Living) Improvement (Eligible Activities) Determination 2023.

Table EEIS1 – EEIS eligible activities undertaken in 2025

Activity number	Type of activity	Number
1.8	Install ceiling insulation (new or top up) in a room either uninsulated or under-insulated	402
2.1	Install a high-efficiency ducted reverse cycle electric heat pump heater (replace inefficient ducted gas heaters)	711
2.3	Install a specified high-efficiency electric room heater	151
2.4	Install insulated space-conditioning ductwork (decommission all existing space-conditioning ductwork that is connected to an operable ducted heater)	711
3.1 and 3.2	Decommission an electric-resistance water heater or gas or LPG hot water system and install a specified high-efficiency water heater	978
5.1	Decommission and dispose of refrigerator or freezer – remove a refrigerator or freezer in working order from a premises and destroy the refrigerator or freezer	548
	Total number of items installed or decommissioned	**3,501**

Contact

EEIS Administration Team

Email: EPD-EEIS@act.gov.au

Environment Protection Authority

Transmittal certificate

ACT Government
City and Environment

Ms Tara Cheyne MLA
Minister for City and Government Services
ACT Legislative Assembly
London Circuit
CANBERRA ACT 2601

Dear Minister

2025–26 Environment Protection Authority Annual Report

This report has been prepared in accordance with section 7(2) of the *Annual Reports (Government Agencies) Act 2004* and in accordance with the requirements under the Annual Report Directions.

It has been prepared in conformity with other legislation applicable to the preparation of the annual report by the Environment Protection Authority.

I certify that information in the attached annual report, and information provided for whole-of-government reporting, is an honest and accurate account and that all material information on the operations of the Environment Protection Authority has been included for the period 1 July 2025 to 30 June 2026.

I hereby certify that fraud prevention has been managed in accordance with the Public Sector Management Standards 2006 (repealed), Part 2.3 (see section 113, Public Sector Management Standards 2016).

Section 13 of the *Annual Reports (Government Agencies) Act 2004* requires that you present the report to the Legislative Assembly within 15 weeks after the end of the reporting year.

Yours sincerely

Matthew Kamarul
Environment Protection Authority
Access Canberra
31 / 07 /2026

Compliance statement

This annexed report confirms compliance with the Annual Report Directions and that relevant information is either contained in this report or, where appropriate, covered in the broader CED Annual Report 2025–26.

Organisational overview

The Environment Protection Authority (the Authority) is a statutory public servant position established by the *Environment Protection Act 1997*. The Office of the Environment Protection Authority ('the EPA') sits within Access Canberra to support its regulatory functions.

Overview of functions

The Authority administers the following Acts and subordinate legislation, including regulations:

- *Clinical Waste Act 1990*
- *Environment Protection Act 1997*
- *Lakes Act 1976*
- *Water Resources Act 2007*

These Acts provide the legislative framework for the EPA's regulatory functions, including education, monitoring, licensing, compliance and enforcement activities to prevent environmental harm, and to support the sustainable management of natural resources and protect environmental values across the Territory.

Legislative framework

The legislation provides the framework in which the EPA regulates activities that may impact the environment and human health. The EPA works to manage and minimise pollution, support sustainable resource management, promote and enforce compliance with environmental obligations and protect the environmental values that contribute to the wellbeing of the ACT community.

Environment Protection Act 1997

The *Environment Protection Act 1997* is the ACT's primary environmental protection legislation. It provides for the protection and enhancement of the environment, the prevention of environmental harm and certain risks to human health, and the management of potentially polluting activities.

It provides the framework for management of contaminated land, environmental authorisations, environmental protection agreements and people's general environmental duty, which requires people to take reasonable and practicable steps to prevent or minimise environmental harm.

Water Resources Act 2007

The *Water Resources Act 2007* establishes a framework for the sustainable management of the Territory's water resources through the allocation, licensing and use of water, and the protection of rivers, wetlands, aquifers and other water dependent ecosystems.

Lakes Act 1976

The *Lakes Act 1976* provides for the administration and management of activities on ACT lakes and lake areas outside those managed by the Australian Government. It supports the safe and sustainable use of Territory lakes by regulating activities such as moorings, jetties, events, navigation controls and access to designated lake areas while also protecting public safety and environmental values.

Clinical Waste Act 1990

The *Clinical Waste Act 1990* regulates the transport and handling of clinical waste within the ACT. It ensures that potentially hazardous waste is managed appropriately to minimise risks to public health, workers, the community and the environment.

Compliance framework

The EPA undertakes a range of proactive and reactive compliance activities in accordance with **Access Canberra's policies, accountabilities and reporting** and the **Environment Protection Compliance Framework**. Resources are allocated using a risk-based approach, focusing regulatory effort on activities with the greatest potential impact on the environment and human health.

During the reporting period, CED and Access Canberra endorsed a new regulatory strategy, which is being implemented in the EPA.

Proactive compliance activities include education, industry engagement and targeted inspections aimed at preventing environmental harm before it occurs. Where potential issues are identified, the EPA works with duty holders to achieve compliance and minimise environmental risks. The EPA also provides information and guidance to the community to support awareness of environmental obligations, promote informed environmental decision-making and prevent environmental harm.

Reactive compliance activities include responding to complaints and reports from the community and responding to pollution incidents. The EPA uses a wide range of regulatory education, engagement and enforcement tools that are appropriate to the nature and seriousness of non compliance when it occurs. This enables regulatory action in each case to be tailored appropriately to the risks posed to the environment and human health.

Performance analysis

Statement of expectations

The **2025–26 Statement of Expectations** established priorities for the EPA focused on strengthening regulatory capability, supporting contemporary environmental regulation, building industry and community awareness and delivering targeted activities. The EPA report on actions in relation to the Statement of Expectations is available **here**.

Environmental authorisations

Environmental Authorisations are issued under the Environment Protection Act to permit activities with the potential to cause environmental harm to operate subject to conditions designed to protect the environment and human health. Through the administration and review of authorisations, the EPA seeks to ensure activities with the potential to impact the environment operate in accordance with appropriate environmental controls and management practices.

In 2025–26, the EPA granted 34 new authorisations and terminated 22 authorisations, which consisted of 10 ceased activities, 9 expired authorisations and 3 cancellations. There were 318 current authorisations at the end of the financial year. The EPA also reviewed 119 authorisations and varied 55 to reflect changes in activities, risks or regulatory requirements.

Current authorisation numbers, reported in Table EPA1, reflect the total number of active authorisations at the time of reporting.

Table EPA1 – Environmental authorisations

Activity	2025–26	2024–25	2023–24	Total active Authorisations as at 30 June 2026*
Controlled burns	1	0	0	3
Commercial incineration	0	0	0	1
Composting	0	0	0	2
Material crushing, grinding or separating	0	0	0	7
Commercial production of alcoholic beverages	0	0	0	2
Crematorium	0	0	0	2
Extraction of material from a waterway	1	0	3	3
Extraction of material from land	0	0	0	1
Keeping poultry	0	0	0	1
Commercial landfills	0	0	0	2
Logging	0	0	0	1
Milk production	0	0	0	0
Motor sports	0	0	0	5
Concert venue	0	0	0	2
Outdoor concerts	5	7	4	10
Commercial use of agricultural and veterinary chemicals	23	10	11	150
Petroleum storage	1	6	0	79
Road building material production	0	0	1	3
Production of concrete	0	0	0	10
Sewage treatment	0	0	0	4
Placement of soil on land	3	7	5	13
Operation of waste transfer	0	1	1	3
Transportation within the ACT of regulated waste	0	1	0	16
Transport of controlled waste	0	0	0	2
Sterilisation of clinical waste	0	0	0	1
Timber milling	0	0	0	1
Operation of a firearm shooting range	0	0	0	5
Generation of electricity by a generator	0	0	1	2
Total	**34**	**32**	**26**	**331**

* excludes the 3 that ceased during 2025–26

Environmental protection agreements

Environmental Protection Agreements are formal agreements between the EPA and individuals who are undertaking activities with potential to cause environmental harm. Agreements are commonly used for activities that present a moderate environmental risk and are frequently applied to major land development and construction projects.

Through these agreements, the EPA works with individuals or groups undertaking activities to establish environmental management requirements and promote compliance with environmental obligations. Agreements provide a flexible regulatory tool that supports the prevention and management of environmental impacts before they occur.

In 2025–26, the EPA entered into 9 agreements, bringing the total number of agreements administered to 165 (Table EPA2). Most agreements relate to land development and construction activities, reflecting the importance of managing environmental risks associated with development across the Territory.

Table EPA2 – Environmental Protection Agreements by activity

Activity	2025–26	2024–25	2023–24	Total
Land development/construction	9	13	9	148
Landfill gas management	0	0	0	1
Municipal services	0	0	0	1
E-Waste dismantling and storage	0	0	0	1
Contaminated sites	0	0	0	14
Total	**9**	**13**	**9**	**165**

Erosion and sediment control plans

The endorsement of an Erosion and Sediment Control Plan (ESCP) before building works commence is often a condition of an Environmental Protection Agreement. During 2025–26, the EPA endorsed 85 ESCPs and conducted 419 inspections of construction sites (Table EPA3).

The number of ESCPs endorsed decreased from 110 in 2024–25 to 85 in 2025–26, reflecting a lower number of development approvals that triggered requirements for ESCPs. The EPA focused regulatory attention and compliance activities on sites that were assessed to have higher sedimentation risks and builders with previous compliance concerns.

Table EPA3 – Erosion and Sediment Control Plans

Activity	2025–26	2024–25	2023–24
No. of ESCPs endorsed	85	110	105
Inspections of building sites	419	613	1030

The EPA directed its focus on targeted compliance and regulatory programs. Consistent with its risk-based approach, regulatory resources were directed towards activities with the greatest potential risk to the environment. The EPA also increased its engagement with the building industry to promote good practice in managing erosion and sediment risks and to improve understanding of the regulatory requirement for managing the risks of erosion and sediment on sites.

This combination of engagement, education and targeted compliance activities supported more effective environmental outcomes while maintaining compliance oversight.

Engagement to strengthen regulatory outcomes

During 2025–26, the EPA delivered several targeted engagement and compliance programs to improve awareness of environmental obligations and reduce environmental risks in priority areas.

Priority areas were identified through the EPA's risk-based regulatory framework and informed by community complaints, environmental monitoring, stakeholder feedback, emerging issues identified by the Commissioner for Sustainability and the Environment, and priorities outlined in the 2025–26 Statement of Expectations. Activities were focused on areas where engagement and early intervention were expected to deliver the greatest environmental benefit or reduce the likelihood of environmental harm.

In the Lake Tuggeranong catchment, the EPA engaged with local businesses to strengthen understanding of the general environmental duty and support actions to minimise environmental harm and improve water quality. The program included 37 targeted business inspections and distribution of more than 200 information notices. Businesses were provided with advice, guidance and education on environmental obligations and practical measures to improve environmental performance and protect local waterways.

The EPA also delivered a residential wood-heater smoke engagement program to help the community better understand and manage the environmental and health impacts of wood heating. Through 43 household visits and the distribution of educational resources to more than 100 households, the program encouraged residents to take practical steps to reduce smoke emissions and improve local air quality.

These programs complemented the EPA's broader regulatory activities by combining education, engagement and compliance activities to encourage voluntary compliance and support improved environmental outcomes. Through collaboration with businesses and the community, the programs contributed to protecting water quality in the Lake Tuggeranong catchment and improving air quality across the ACT.

Contamination

Information about contaminated sites is available on the Access Canberra website and includes advice, applications and information sheets.

Contaminated land notifications

The EPA received one contaminated land notification under section 23A of the Act. Since contaminated land provisions commenced in 1999, the EPA has received 139 notifications relating to contaminants including chlorinated hydrocarbons, hydrocarbons and asbestos affecting soil and groundwater. These notifications help ensure contaminated land is identified, assessed and managed appropriately to protect human health and the environment.

Contaminated sites

The EPA reviewed and endorsed 21 independent contaminated land audits and interim audit reports prepared by EPA-approved auditors. These assessments supported the appropriate management of contamination arising from historic activities including landfilling, hydrocarbon storage and industrial land use.

The EPA also reviewed and endorsed 44 contaminated land environmental assessment reports to determine the suitability of sites for their proposed use and conducted 174 inspections of known or potential contaminated sites to determine if appropriate approvals were in place (Table EPA4).

Table EPA4 – Contaminated sites

Activity	2025–26	2024–25	2023–24
Audits reviewed and endorsed	21	7	13
Environmental assessment reports reviewed and endorsed	44	50	46
Inspections of contaminated sites	174	125	118

Register of contaminated sites

As at 30 June 2026, 256 contaminated sites were recorded on the ACT Register of Contaminated Sites, a decrease from 258 sites in the previous year. During the reporting period, 3 sites were added to the register and 5 were removed following the completion of contamination assessments.

The register includes sites that have been subject to an audit by an EPA-approved auditor and have been identified as having the greatest potential to impact human health or the environment. The register is available through the Access Canberra online Public Registers.

Contaminated land searches and data

The EPA maintains records of known, potentially contaminated and remediated land across the ACT. This information is made available through contaminated land searches and lease conveyancing processes to support informed land transactions, development decisions and infrastructure installation and maintenance. Table EPA5 shows number of searches conducted in the last 3 years, ensuring that entities have access to relevant information when considering use, purchase or development of land.

Table EPA5 – Contaminated sites

Activity	2025–26	2024–25	2023–24
Licence agreements	0	0	1
Contaminated land searches	239	354	366

Reuse approvals

The EPA regulates the reuse of low-level contaminated soil to ensure it can be safely managed without posing unacceptable risks to human health or the environment. By facilitating the safe reuse of suitable materials, the EPA enables the beneficial use of resources while ensuring appropriate environmental safeguards are maintained.

Applications for reuse are assessed against EPA guidelines and criteria to determine whether the proposed reuse is suitable for the intended land use.

During 2025–26, the EPA approved 4 applications for the reuse of approximately 13,200 cubic metres of low-level contaminated soil (Table EPA6). This is a continuing decrease over the last 3 years, reflecting diversion of suitable material to Mugga 2 Quarry, where soil is assessed and managed under the conditions of the quarry's environmental authorisation.

Table EPA6 – Reuse approvals

Activity	2025–26	2024–25	2023–24
Applications for reuse approved	4	8	20
Cubic metres of soil reused	13,200	45,500	70,475

Planning and development referrals

The EPA works closely with planning and land management agencies to identify and manage environmental risks early in the development process. This helps ensure potential impacts to the environment and human health are appropriately considered before activities are permitted or commence. In some legislation, the EPA must be consulted as part of an application process.

During 2025–26, the EPA reviewed 377 referrals from the Territory Planning Authority, a slight increase on the 369 referrals received in 2024–25. The EPA also reviewed 128 referrals from the National Capital Authority and a further 606 planning, land management and regulatory referrals and requests (Table EPA7).

Table EPA7 – Referrals

Activity	2025–26	2024–25	2023–24
Development applications referred	377	369	548
National Capital Authority referrals	128	150	159
Pre-application advisory requests	44	144	N/A
Land access and activity notice submissions	457	563	532
Land Requests Advisory Committee referrals	29	19	21
Land Management Agreement referrals	9	16	19
Liquor licencing referrals	67	75	111
Other referrals and requests	166	152	N/A

Complaint handling

Complaints received from the community play an important role in identifying environmental issues and informing the EPA's compliance and regulatory activities. Trends in complaint data help the EPA target education, engagement, monitoring and enforcement efforts towards areas of greatest community concern and environmental risk.

Access Canberra received 4,369 complaints relating to matters regulated by the EPA, an increase of 765 complaints compared to 2024–25. This increase was primarily driven by improvements to regulatory data capture, including improved recording of activities undertaken as part of the Annual Field Inspection Program. As a result, the 2025–26 figure reflects a broader range of EPA regulatory interactions being recorded and does not necessarily indicate a corresponding increase in environmental incidents or community concerns.

Table EPA8 – Categories of EPA complaints

Complaint category	2025–26	%	2024–25	%	2023–24	%	2022–23	%
Air pollution	513	12	519	14	378	11	323	9
Land contamination	38	1	32	1	82	2	95	3
Light pollution	98	2	80	2	52	2	40	1
Noise pollution	2619	60	2756	76	2597	79	2846	81
Waterways pollution	1067	24	212	6	177	5	166	5
Other	34	1	5	0	21	1	38	1
Total complaints	**4369**	**100**	**3604**	**100**	**3307**	**100**	**3518**	**100**

Noise pollution remained the most common complaint category, accounting for 2,619 complaints (60% of all complaints), a decrease from 76% in the previous year (Table EPA9). Air pollution complaints remained relatively stable at 513 complaints (12%), while light pollution complaints increased to 98 complaints (2%). Land contamination and other complaint categories collectively accounted for approximately 2% of complaints.

Table EPA9 – Noise complaints by categories of EPA complaints received by CMT

Complaint category	2025–26	%	2024–25	%	2023–24	%	2022–23	%
Amplified	1309	50	1450	53	1382	53	1518	53
Construction	378	14	460	17	522	20	532	19
Mechanical plants and equipment	532	20	469	17	456	18	452	16
Maintenance or repair work*	129	5	93	3	0	0	0	0
Vehicles^	86	3	91	3	62	2	91	3
People^	26	1	51	2	47	0	86	3
Gym equipment	13	0	16	1	7	2	18	1
Alarms	86	3	48	2	56	1	36	1
Garden work	36	1	28	1	25	1	43	2
Waste collection	5	0	23	1	19	1	32	1
PA system	3	0	11	0	4	0	3	0
No value	4	0	2	0	3	0	3	0
Enquiry	12	0	14	1	14	1	32	1
Total noise complaints	**2619**	**100**	**2756**	**100**	**2597**	**100**	**2846**	**100**

*New subcategory in 2024–25

^People and vehicle noise is not regulated under the EP Act

Enforcement action

The EPA uses a range of regulatory tools to respond to non-compliance with the Act, including infringement notices, Environment Protection Orders and prosecution. These tools support the EPA's risk-based and proportionate approach to regulation, addressing environmental harm, securing compliance and deterring future breaches.

During 2025–26, the EPA undertook 62 enforcement actions (Table EPA10), a significant increase from 2024–25. Enforcement action was primarily taken against businesses after EPA inspections identified breaches of environmental legislation (Table EPA11).

Enforcement activity was focused on priority environmental risks, particularly those associated with development activities and waterway pollution. The EPA applied a graduated and proportionate regulatory response, with regulatory actions that reflected the nature and seriousness of the non-compliance. These actions supported the protection of the environment and human health while reinforcing environmental obligations and promoting compliance across the Territory.

Table EPA10 – Enforcement actions under the Environment Protection Act

Activity	2025–26	2024–25	2023–24
Infringement notices	43	16	42
Environment Protection Orders	18	11	8
Prosecution	1	2	0

Table EPA11 – Overview of enforcement actions under the Environment Protection Regulation 1997 in 2025–26 business inspections

Offence	Number	Total combined penalty applied ($)
44(1) Pollution of a waterway	4	2800
45(1)(b) – Development waste not to enter stormwater system or waterways	5	2500
46(1) Areas near development to be keep clear	6	3000
47(1) Entries to and exits from land to be kept stable	1	875
50(1) Discharge of stormwater into receiving waters	2	1500
66B – Development sites greater than 0.3ha – install and maintain on the site erosion and sediment control measures	1	875
66C – Development sites less than 0.3ha – install and maintain on the site erosion and sediment control measures	24	21000
Orders	0	0
Make noise louder than noise zone standard	15	Cease activity/Remedial actions
Conducting prescribed activity without approval	2	Cease activity/Remedial actions
Pollute environment causing environmental harm	1	Cease activity/Remedial actions

Water Resources Act 2007

Water access entitlements and licences

The EPA administers water licences and water access entitlements to support the sustainable management of the ACT's water resources. As at 30 June 2026, the EPA administered 200 licences, comprising:

- 184 Licences to Take Water
- 1 Recharge Licence
- 7 Drillers Licences
- 1 Bore Work Licence
- 7 Waterway Works Licences.

The EPA also administered 328 Water Access Entitlements, including groundwater, surface water and surviving allocations.

Five new licences to take water were issued during 2025–26 (Table EPA12). Through the licensing and entitlement framework, the EPA seeks to balance the needs of water users with the protection of aquatic ecosystems and the long-term sustainability of the Territory's water resources.

Table EPA12 – New and total number of water access entitlements and licences

Licence type	New issued in 2025–26	Total active
Bore works	1	1
Drillers	0	7
Take water	5	184
Water access entitlements	0	328
Waterways works	10	7

Assessment of water use, protection of environmental flows and compliance

The EPA assesses water use to ensure extraction remains within approved entitlement limits and does not adversely impact aquatic ecosystems. During 2025–26, water use by licence holders, including Icon Water, remained below the volume of water held under entitlements.

The EPA also investigated alleged non-compliance with licence conditions and took regulatory action where appropriate. During the reporting period, 2 infringement notices were issued for water overuse. Favourable rainfall conditions throughout the year also contributed to maintaining environmental flows across the Territory's waterways.

Metering of water use

All licensed water use in the ACT is metered to support accurate measurement, compliance monitoring and sustainable water resource management. At 30 June 2026, 271 water meters were in operation.

The EPA undertakes an ongoing inspection and compliance program to verify meter performance, support accurate reporting of water use and ensure licence conditions are being met. The EPA completed 27 meter inspections (Table EPA13).

Metering requirements and reporting arrangements also support the ACT's obligations under Murray-Darling Basin water compliance and reporting frameworks.

The EPA continues to apply contemporary regulatory practices and works collaboratively with other jurisdictions and national regulators to support consistent, transparent and effective water resource management. This includes maintaining regulatory capability, supporting compliance with water management obligations and promoting sustainable use of the Territory's water resources.

Table EPA13 – Non-utility network water meter fleet and inspections

Activity	Ground water	Surface water	Total
Licences	124	42	184
Meters	160	111	271
Meter inspections	19	8	27

Lakes Act 1976

The EPA completed 300 inspections at ACT lakes during 2025–26, including inspections undertaken on behalf of ACT Health to assess compliance with the ACT Recreational Water Quality Guidelines. The National Capital Authority is responsible for water quality monitoring and testing within areas of Lake Burley Griffin under its jurisdiction and those results are not included in this report.

Monitoring activities focused on protecting public health and environmental values, including assessing indicators of water quality such as blue-green algae. Laboratory testing was undertaken following 18 inspections to support water quality assessments and inform management actions where required.

The EPA works closely with other agencies to monitor water quality and manage risks to recreational lake users, including implementing lake closures where water quality conditions make primary or secondary contact with a lake by humans unsuitable. No lake closures were required during 2025–26.

Australian Government commitments

Air Quality Monitoring Report

The EPA produces an annual Air Quality Monitoring Report to meet reporting requirements under the Ambient Air Quality National Environment Protection Measure. The ACT maintained good overall air quality during 2025–26, although particulate matter from residential wood-heater emissions (PM2.5) remained the primary air quality concern. The EPA continued to support initiatives aimed at reducing wood-heater emissions and improving air quality across the Territory.

National Pollutant Inventory

The National Pollutant Inventory is a national program that tracks emissions of specified pollutants from industrial facilities across Australia. Under the Environment Protection Act, relevant ACT facilities are required to report emissions data annually.

During 2025–26, the EPA received and validated 20 National Pollutant Inventory facility reports. The EPA also undertook compliance, training and inter-jurisdictional activities to support the quality and consistency of pollutant reporting.

Per and poly-fluoroalkyl substances (PFAS)

During 2025–26, the EPA continued to implement national commitments for the management of per- and poly-fluoroalkyl substances (PFAS). Key activities included adopting the updated PFAS National Environment Management Plan (NEMP) Version 3.1, participating in national working groups, supporting ACT Government agencies, updating environmental authorisation provisions and providing advice on the assessment and remediation of sites impacted by legacy PFAS contamination.

These activities supported a consistent national approach to PFAS management while helping to protect human health and the environment from emerging and legacy contamination risks.

Controlled waste

Controlled waste is the most hazardous category of waste and includes wastes that may be toxic, environmentally persistent, reactive or otherwise capable of causing harm to human health or the environment if not appropriately managed. Some controlled wastes, such as tyres, require specialised handling despite not being classified as hazardous.

The EPA regulates the movement and management of controlled waste in the ACT and administers requirements for interstate waste movements under the National Environment Protection (Movement of Controlled Waste between States and Territories) Measure. These arrangements help ensure controlled wastes are appropriately identified, transported, tracked and managed in a manner that minimises risks to human health and the environment.

Controlled waste movements

The EPA regulates the interstate movement of controlled waste to support its safe transport and management, ensuring that controlled waste is tracked and managed appropriately throughout its transport and disposal lifecycle.

During 2025–26, the EPA issued 25 Consignment Authorisations for controlled waste movements into the ACT, primarily for clinical waste and asbestos. These authorisations resulted in 587 reported waste movements into the Territory. During the same period, 455 controlled waste movements out of the ACT were reported through the NSW EPA Integrated Waste Tracking Solution (Table EPA14).

Waste movement volumes vary from year to year depending on market conditions and the availability of interstate treatment and disposal facilities.

Table EPA14 – Controlled waste movements

Activity	2025–26	2024–25	2023–24
Consignment authorisations	25	21	29
Controlled waste movements into the ACT	587	666	697
Controlled waste movements out of the ACT	455	1321	674

Controlled waste compliance

During 2025–26, there were no reported non-compliances associated with interstate-controlled waste movements. All waste producers obtained the necessary approvals before transporting controlled waste into or out of the ACT, supporting the safe and environmentally responsible management of these waste streams.

Contact

Environment Protection Authority

Enviromnment.Protection@act.gov.au

Cemeteries and Crematoria Authority

Transmittal certificate

ACT Government
City and Environment

Ms Tara Cheyne
Minister for City and Government Services
ACT Legislative Assembly
London Circuit
CANBERRA ACT 2601

Dear Minister

2025–26 Cemeteries and Crematoria Authority Annual Report

This report has been prepared in accordance with Section 7C of the Annual Reports (Government Agencies) Act 2004 and in accordance with the requirements under the Annual Reports (Government Agencies) Directions 2026.

It has been prepared in conformity with other legislation applicable to the preparation of the annual report by the Cemeteries and Crematoria Authority.

We certify that the information in the attached report and information provided for whole-of-government reporting is an honest and accurate account and that all material information on the operations of the Cemeteries and Crematoria Authority has been included for the period 1 July 2025 to 30 June 2026.

We hereby certify that fraud prevention has been managed in accordance with the Public Sector Management Standards 2006 (repealed), Part 2.3 (see Section 113, Public Sector Management Standards 2016).

Section 13 of the Annual Reports (Government Agencies) Act 2004 requires that you present the report to the Legislative Assembly within 15 weeks after the end of the reporting year.

Yours sincerely

Neale Guthrie
Chair
7 August 2026

Kerry McMurray
Chief Executive Officer
7 August 2026

Compliance statement

This annexed report confirms compliance with the Annual Report Directions and that relevant information is either contained in this report or, where appropriate, covered in the broader CED Annual Report 2025–26.

Organisational overview

The Cemeteries and Crematoria Authority (the Authority) is a statutory authority established on 23 August 2020 under the *Cemeteries and Crematoria Act 2020* (the Act). The Authority has previously traded under different names and was established on 27 September 2003 under the Cemeteries and Crematoria Act 2003 (repealed) to manage public cemeteries and crematoria effectively and efficiently.

Trading as Canberra Memorial Parks, the Authority currently manages and operates public cemeteries at Gungahlin, Woden and Hall, a public crematorium, memorial hall and condolence lounge on the grounds of Gungahlin Cemetery, and a mausoleum on the grounds of Woden Cemetery.

Cemeteries and Crematoria Authority Board

The Authority is established under Section 113 of the Act and has a governing board under sections 117 and 118 of the Cemeteries and Crematoria Act. The Board:

- has at least 6, and not more than 12 members
- is sufficiently diverse to carry out its functions
- includes at least 2 members who, in the Minister's opinion, represent the general community and religious denominations.

Members are appointed under sections 117 and 118 of the Act and sections 78 and 79 of the Financial Management Act. Members are appointed for fixed terms, generally 3-year terms, and are appointed by the Minister. The Chief Executive Officer is a member of the Board, appointed under section 118 of the Act and Section 80 of the Financial Management Act.

On 22 August 2025, Georgina McKenzie, Deputy Chair, completed her term on the Board after completing 9 years of service.

The following sub-committees provide advice to the Board.

Audit and Risk Sub-committee – provides recommendations and advice on risk management activities, including internal audits undertaken by the Authority and the overall risk environment, and provides recommendations on governance.

Finance Sub-committee – provides recommendations and advice on financial management and activities undertaken by the Authority and incorporates the business development activities, which focus on stakeholder engagement, reputation management and marketing activities.

Governance Sub-committee – provides guidance, advice and recommendations on governance-related issues and matters.

Special Projects Sub-Committee – provides recommendations and guidance on major works being undertaken by, or on behalf of, Canberra Memorial Parks.

Members and CEO renumeration

The Board Chair receives a base remuneration and other board members are remunerated on a per diem basis at a rate determined by the ACT Remuneration Tribunal under section 10 of the Remuneration Tribunal Act 1995.

The CEO is employed in accordance with Section 31 of the Public Sector Management Act and Section 54 (2) of the Public Sector Management Standards 2016. CEO remuneration determinations are made by the Chief Minister or the Remuneration Tribunal under the Remuneration Tribunal Act.

Table CCA1 – Meeting attendance 2025–26

Member/Attendee	Board	Audit and risk	Finance	Governance	Special projects	Total attended
Neale Guthrie	10	2	3	1	5	21
Kate Chetty	9	3	N/A	1	N/A	13
Georgina McKenzie till 22/8/2025	2	N/A	N/A	N/A	N/A	2
Ivan Slavich	6	N/A	1	N/A	1	8
Nigel Corne	10	3	4	N/A	N/A	17
Shanti Reddy	9	2	N/A	N/A	1	12
Felicity McNeill	9	N/A	4	1	1	15
Fiona Jolly	9	N/A	N/A	1	5	15
Paula McGrady	8	1	N/A	N/A	5	14
Terina Brierley	8	N/A	3	1	N/A	12
Kerry McMurray	7	3	4	1	5	20

Planning framework

The Board held a 2-day strategy workshop in March 2026 to review the Canberra Memorial Parks' Statement of Intent, Statement of Strategic Guidance and Strategic Risk Register.

The objectives of the Statement of Strategic Guidance are underpinned by a set of goals and supported by identified key elements and measures of success. The development of a delivery program, which details the required delivery of projects, programs and services to will help achieve the strategic objectives of the Statement of Strategic Guidance. The achievement of this program will be reviewed by the Board on a bi-annual basis.

The complete review of the Strategic Risk Register and the alignment of these risks to the goals identified in the Statement of Strategic Guidance provides an integrated planning approach to achieving the identified strategic objectives within the identified risk appetite of the Authority.

Key activities and achievements

The Board completed the construction of the Gungahlin Memorial Hall and Condolence Lounge Project. This $7.8 million project was fully funded by the Authority and now provides a full-service offering to the Canberra community at the Gungahlin Cemetery. The facility was officially opened by Minister Cheyne on 1 April 2026.

Other achievements in the reporting period included:

- installation of a 2nd cremator into the existing crematorium
- adoption of a new masterplan for Gungahlin Cemetery
- development of new interment product at both Gungahlin and Woden cemeteries to meet the diverse needs of the Canberra community
- hosting several tours of the Gungahlin facilities, including the crematorium
- holding a stand at the Council on the Ageing (COTA) expo in September 2025
- holding numerous engagements with representatives from the Canberra multicultural community in relation to the Memorial Hall and Condolence Lounge Project and the Gungahlin Cemetery masterplan.

Priorities for 2026–27

Strategic and operational priorities for 2026–27 include:

- strengthening business performance and financial sustainability through business planning processes
- continuing to improve the share of the cremation market by articulating a compelling value proposition and building a strong relevant brand
- expanding, diversifying and innovating the Authority's service offerings to meet contemporary community needs, including facilitating equitable access to services for marginalised members of the community
- providing full-service offering using the Memorial Hall and Indigo Lounge at Gungahlin
- investigating the possibility of the expansion of Woden Cemetery or making application for closure of Woden Cemetery
- investigating the possibility of the expansion of Hall Cemetery or making application for closure of Hall Cemetery
- increasing community engagement and uptake in line with the developed stakeholder engagement and marketing strategies
- increasing engagement with multicultural and religious groups through meetings and the delivery of an annual program of events/celebrations
- enhancing the environmental sustainability of Canberra Memorial Park sites and facilities
- employing innovative solutions that include environmental considerations, cost management and provision of maintenance, with the view to enhancing perpetual-care arrangements to underpin the long-term financial viability of the Authority.

Performance analysis

Gungahlin Cemetery

- Completed memorial hall and condolence lounge.
- Installed a second cremator into existing crematorium.
- Completed a revised masterplan for Gungahlin that provides for a further 25 years of capacity.

Woden Cemetery

- Completed the new Ash Memorialisation Garden (Eternity Garden 3).
- Given burial allotments are basically fully subscribed (99%), the Board has commenced preparing an application for the closure of Woden Cemetery in accordance with the Cemeteries and Crematoria Act. Application approval would permit access to the Perpetual Care Trust for maintenance costs.

Hall Cemetery

- Burial allotments are fully subscribed.

Southern Memorial Park Stage 1

- Development application approval was obtained on 6 July 2026 and the Authority will continue to work with Government to develop a funding strategy.

Other

The Authority continues to monitor the impacts of scarce interment options in the southern parts of the ACT.

The Authority is also monitoring developments in the Death Care industry in relation to alternative options for Canberra.

Table CCA2 – Distribution of interments for deaths in the ACT

Year	Burial	Ash interment	Not interred at CMP
2021–22	533	179	1450
2022–23	529	308	1370
2023–24	483	379	1701
2024–25	462	182	1616
2025–26	497	224	1818

Table CCA3 – Reservation unit sales

Year	Woden Cemetery	Gungahlin Cemetery	Hall Cemetery
2021–22	97	137	4
2022–23	272	198	5
2023–24	145	164	2
2024–25	71	115	0
2025–26	93	186	4

Scrutiny

Table CCA4 – Performance Audit – Governing boards of selected ACT Government entities

Recommendation No. and Summary	Status and action
Recommendation 1: Agreed in principle	**Complete** The Cemeteries and Crematoria Authority Board Charter was revised to clarify the Board's relationship with, and accountability to, the Minister including linking the statement of operational intent to the Ministerial statement of expectations. The Charter was endorsed by the Board in April 2025.
Recommendation 4: Agreed in principle	**Complete** The Cemeteries and Crematoria Authority Board Charter was updated to clearly define the meaning of a material interest and to document procedures on how material interests will be reported to the Minister when they arise. The Charter was endorsed by the Board in April 2025.
Recommendation 6: Agreed in principle	**Complete** The Board conducts an annual review of Board performance. Every second year this review is conducted by an independent facilitator using the Australia Institute of Company Directors template.

Risk management

The Authority has both a strategic risk register and operational risk register. Strategic risks are reviewed by the Audit and Risk Sub-committee by conducting a deep dive into each of these risks in a rolling review program and providing findings to the Board.

The Authority has linked its strategic risks to the strategic priorities articulated in the Statement of Strategic Guidance. Operational risks, which are reviewed quarterly by a staff committee and through the WHS committee, are also reported to the Board.

Internal audit

The Audit and Risk Sub-Committee is an integral part of the internal audit function and reports to the Board on the governance, risk and internal control environment. Membership, member remuneration and the number of sub-committee meetings and attendance are addressed earlier in this report.

Table CCA5 – Status of audits from the Authority's internal audit program(s) as at 30 June 2026

Audit Name	Program period	Status	Tabled
Assurance Mapping	November 2025 – February 2026	Completed	13 May 2026

Sub-committee activities are conducted in accordance with the Board Charter and Sub-Committee Terms of Reference. To deliver internal audit activities, the Authority used a primary internal audit provider identified through the Whole-of-Government Internal Audit Services Panel with the appointment being made in October 2025. One internal audit was presented to the committee for consideration.

Fraud prevention

The Authority's Fraud and Corruption Prevention Plan includes an assessment of fraud risk, a fraud control plan and prevention strategies including fraud awareness training. The Authority received no reports or allegations of fraud or corruption during the reporting period.

Freedom of information

There were no Freedom of Information requests received regarding the Cemeteries and Crematoria Authority during 2025–26.

Community engagement and support

The Authority's liaison with stakeholder groups is underpinned by a stakeholder framework. The engagement with groups during 2025–26 is outlined below.

Representatives from several aged care providers arranged tours of Canberra Memorial Parks facilities. A community survey was conducted with the Hall community and surrounding districts regarding the future of Hall Cemetery. All funeral directors were met with to discuss service provision and input into requirements for the design and fit out of the memorial hall and condolence lounge.

Community and religious groups were consulted including:

- leaders from the Jewish Orthodox and Progressive Faiths
- leaders from the Hindu, Nepali and Jain communities
- Council on the Ageing
- Voluntary Assisted Dying Working Group.

Aboriginal and Torres Strait Islander reporting

A portion of the Gungahlin Cemetery, developed in consultation with local elders, has been set aside for members of the Aboriginal and Torres Strait Islander community.

During the year, the Board facilitated a meeting with Aboriginal and Torres Strait Islander representatives to discuss the ongoing engagement approach required to improving the portion and raising awareness of interment options that better meet their needs and requirements. The board has made a budget allocation towards enhancing this area to be more culturally safe and respectful.

Section B9 of the CED Annual Report provides further detail on the CED Reconciliation Action Plan and other whole-of-government diversity employment strategies to which the Authority adheres.

Disability Inclusion Act 2024

In support of the Disability Inclusion Act, the Authority continued to improve accessible parking spaces at Woden and Gungahlin cemeteries.

Further accessible parking spaces were provided in the development of the Gungahlin Memorial Hall and Condolence Lounge Project. Additionally, this project has been designed to be compliant with current standards in terms of accessibility throughout the facility.

Access to toilets is widely recognised as a fundamental human right, essential for health, dignity and wellbeing. CED recognises this responsibility and is committed to ensuring facilities are available, accessible and safe. The Memorial Hall and Condolence Lounge Project provided additional accessible toilet facilities for both the users of the building and the general public. These are in addition to the facilities already provided.

Multiculturalism Act 2023

Reporting against the Multiculturalism Act, the Authority continued to maintain positive relationships with Canberrans of all backgrounds.

Services are designed to facilitate different faiths and cultural groups. For example, staff engaged with leaders from the Jewish Orthodox and Progressive Faiths and Hindu, Nepali and Jain communities.

The Authority is designed to promote multiculturalism in the ACT, and the Authority's board must include at least 2 members representing the general community and religious denominations.

Section B10 of the CED Annual Report provides further reporting related to the Multiculturalism Act.

Period Products and Facilities (Access) Act

Authority workplaces provide appropriate toilets, sanitary waste and handwashing facilities in a way that respects the dignity of the person. This includes all office and depot locations and publicly accessible toilet facilities.

The ACTPS Employment Portal includes detailed information about Menstruation and Menopause Leave and flexible working arrangements for ACTPS staff.

Work Health and Safety

The Authority continues to be proactive in maintaining and improving workplace health and safety (WHS). The Authority has a WHS Committee, chaired by the CEO, which meets quarterly. The committee has 4 health and safety representatives, who are elected by Authority employees.

Promotion of safety measures and the Employee Assistance Program continued in the workplace. As Authority employees are CED employees, the Authority adopts CED WHS policies and procedures. Incidents are reported and recorded using the CED WHS reporting framework.

Due to the nature of the business, additional support is provided to staff through facilitated group sessions and one-on-one sessions with a counsellor. Additional training is also provided in relation to vicarious trauma and dealing with grief and loss.

Top 3 WHS Risks

1. Working in confined spaces: Employees conducting this activity attend Grave-Safe Training, a course provided by the NSW Cemetery and Crematoria Association.
2. Working with machinery: The Authority has adopted Plant-Assessor, a software program that monitors maintenance requirements and procedures for the use of plant and machinery.
3. Working in isolation: Toolbox meetings are conducted daily and employee breaks are held in central locations.

Human Resource Management

The day-to-day management of Authority staff is the responsibility of the CEO, Director Customer and Corporate Services, Manager Customer and Corporate Services and the Grounds Manager, all of whom have direct reports. Teams within CED provide support and oversight in all workforce-related matters.

The Authority is a small agency with cross-skilled employees. Cemetery employees are deployed flexibly and move between cemeteries to maintain operations. To maintain a continuous service for the community, contractors are used to ensure staff are available when necessary.

Ecological sustainability reporting

Gungahlin Cemetery and Woden Cemetery are principally lawn cemeteries with under-turf irrigation. Previous dry periods and water restrictions necessitated a reduction in water use. As a result, the Authority has done considerable work to replace cool season grasses with warm season grasses to reduce water use, mowing frequency and other maintenance costs.

The ACT had a drier than average year in 2025–26 compared to the 2 previous years. This drier than average year did not result in increased water consumption due to the grass replacement program that has been undertaken, as shown in Table CCA6.

Table CCA6 – Water usage for 2023–24 to 2025–26

Water use (Megalitres)	2025–26	2024–25	2023–24
Ground maintenance	26.8	39.2	24.6
Potable water (included in above)	0	4.3	0
Bore water	4.4	9.1	4.2
Supplied by third parties (bore and captured)	14.1	7.7	0
Captured water returned to ornamental lake	5.6	10.6	6.1

Capital works

Table CCA7 – CCA capital works 2025–26

Description	Actual ($)	Budget ($)	Variance ($)
Buildings	5,773,632	5,700,000	73,632
Infrastructure assets	1,434,350	1,450,000	(15,650)
Plant and equipment	1,315,348	1,300,000	15,348
Total	**8,523,330**	**8,450,000**	**73,330**

Asset Management

The Authority is a self-funding statutory authority managing all cemeteries' related infrastructure to provide an efficient and reliable service to the community. The Authority's Strategic Asset Management Plan (SAMP) plans maintenance for all assets.

The SAMP provides a reference document for the financial and operational asset management of all asset groups owned and managed by the Authority. The SAMP includes asset data and financial information as at 30 June 2026. The SAMP outlines current and expected levels of service for the delivery of maintenance services and capital works programs in detail.

The expected levels of service are determined by a thorough analysis of service objectives, future demand, feedback from community consultations, ACT's population trends and the availability of resources. The SAMP reports on a detailed lifecycle management of all critical asset groups and the budget required to maintain the Authority's assets at an operational level that meets relevant Australian national standards throughout their useful life.

Government contracting

The Authority has nothing to report for the reporting year.

MANAGEMENT DISCUSSION AND ANALYSIS

For the Cemeteries and Crematoria Authority
Year Ended 30 June 2026

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1. GENERAL OVERVIEW

1.1. Introduction

The Cemeteries and Crematoria Authority (the Authority) is a Territory Authority established under *the Cemeteries and Crematoria Act 2020.* The Authority has previously traded and was first established on 27 September 2003 under the *Cemeteries and Crematoria Act 2003.*

The Authority is under the direction of the Minister for City and Government Services (the Minister).

1.2. Objectives

The aim of the Authority is to manage public cemeteries and crematoria in the ACT effectively and efficiently. This includes cemeteries at Gungahlin, Hall and Woden, a mausoleum on the grounds of Woden Cemetery and a crematorium on the grounds of Gungahlin Cemetery.

The Authority operates in accordance with the *Financial Management Act 1996*. It is self-funded with revenue predominantly sourced from the sale of allotments, burial activities, memorialisation and cremation services.

1.3. Perpetual Care Trust (PCT)

The Government has a liability for ongoing maintenance of Cemeteries once the graves and interned ashes are all sold. The Authority is responsible for making contributions into a Perpetual Care Trust (PCT) at rates determined by the Minister to cover this liability.

The Authority since 2003 has paid contributions and retained investment earnings in perpetual care trusts that have covered the liability created since establishment. The future contributions payable into the PCT as determined by the Minister are anticipated to remove all the unfunded liability once all the graves and ashes interments are sold and all the current Cemeteries are closed.

Under Part 7 of the Act, the Minister determined that 9.1% of licensee receipts (specific revenue items) are to be paid into this Trust for period 1 July 2025 to 30 June 2026. The total payment to be made for period 1 July 2025 to 30 June 2026 is due and payable to the Public Trustee and Guardian prior to 31 October 2026.

1.4. Crematorium

Gungahlin Crematorium was approved to operate on 24 February 2021, and the first cremations occurred on 26 February 2021. The facility was officially opened, by the Minister, on 15 March 2021. The Crematorium during 2025-26 conducted 609 cremations. An decrease of 3% on the previous year. The total number of cremations conducted at this facility to 30 June 2026 is 2,548.

1.5. Risk Management

The Authority's approach to risk management provides clients with assurance that the Authority can deliver low risk and high value services. To support this the Authority has the following plans in place:

- Statement of Strategic Guidance;
- Strategic Risk Register and Risk Appetite Statement;
- Delivery Program;
- Operational Risk Register;
- Business Continuity Plan; and
- Fraud and Corruption Prevention Plan.

2. Net Cost of Services

The following table is based on audited financial statements for 2025-26 and 2024-25 and the Estimates presented for 2026-27 to 2028-29 are based on the 2025-26 Budget Statements. The crematorium figures are incorporated in the overall results below.

Table 1: Net Cost of Service

Net Cost of Services	Actual 2024-25 $m	Budget 2025-26 $m	Actual 2025-26 $m	Forward Estimate 2026-27 $m	Forward Estimate 2027-28 $m	Forward Estimate 2028-29 $m
Total Expenses	6.165	6.810	6.624	7.968	8.124	8.321
Total Revenue	7.042	7.255	7.719	8.256	8.518	8.768
Net Cost of Services	**0.877**	**0.445**	**1.093**	**0.288**	**0.394**	**0.447**

Comparison to Budget

The Authority has achieved an operating surplus for 2025-26 of $1.073 million which was higher than the Budgeted surplus of $0.425 million. The variance to budget is explained in Section 3. Financial Performance below.

Comparison to Prior Year

The Net Cost of Services for 2025-26 was a surplus of $1.073 million which was higher than last year's surplus of $0.877 million. The variance to prior year is explained in Section 3. Financial Performance Below.

3. FINANCIAL PERFORMANCE

3.1 Total Expenses

Figure 1 identifies the components of the Authority's expenses for the year ended 30 June 2026.

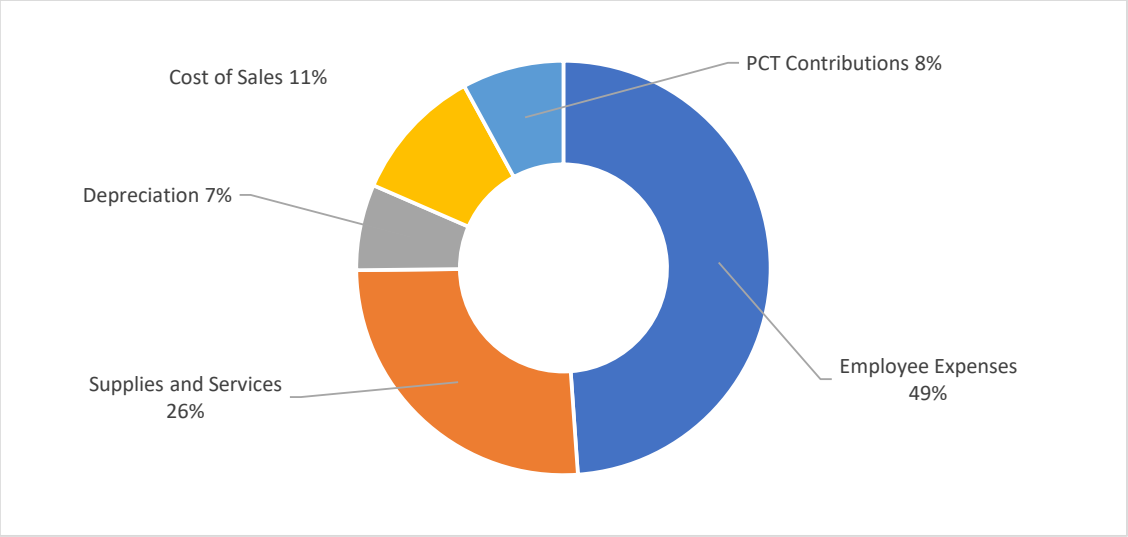
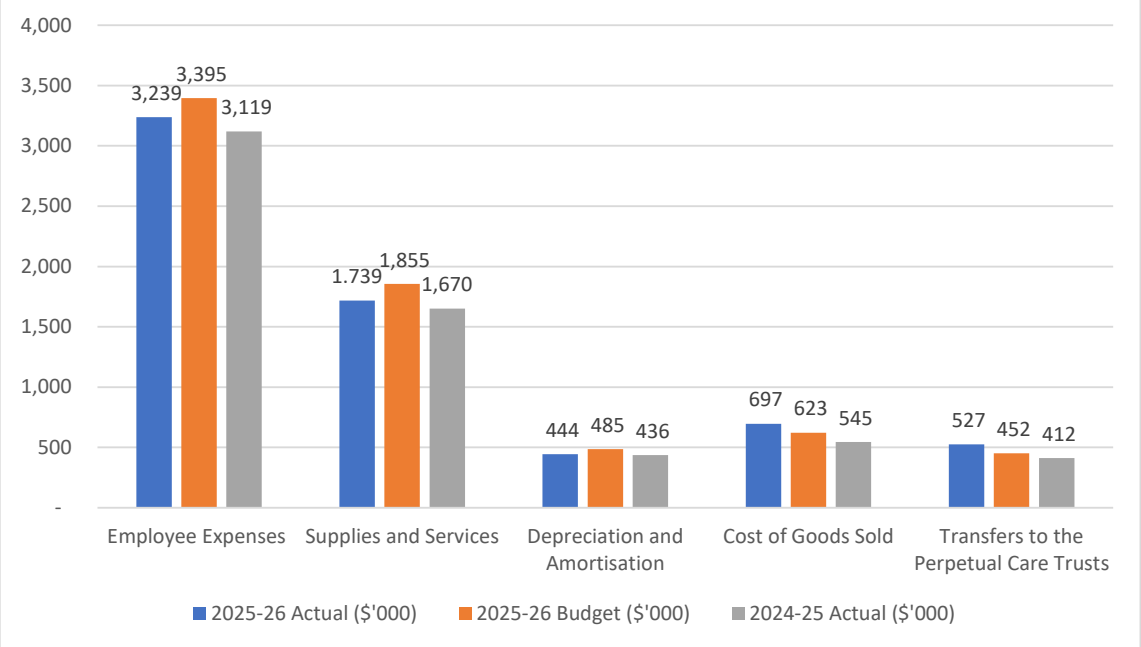


Figure 2 identifies the Authority's expenses as at 30 June 2026 against to Budget and Prior Year



Comparison to Budget

Total Expenses of $6.646 million were $0.164 million or 3% lower than the 2025-26 Budget of $6.810 million. The result is mostly in line with the budget.

Comparison to Prior Year

Total Expenses were $0.481 million or 7.8% higher than the previous year amount of $6.165 million. The increase was mainly attributable to higher of Cost of Goods Sold ($0.152 million) and higher transfer to PCT ($0.115 million) reflecting increased sales, and higher Employee Expenses ($0.120 million) arising from salary increases under the new enterprise agreement.

3.2 Total Revenues

Figure 3 identifies the components of the Authority's Revenue 2025/26.

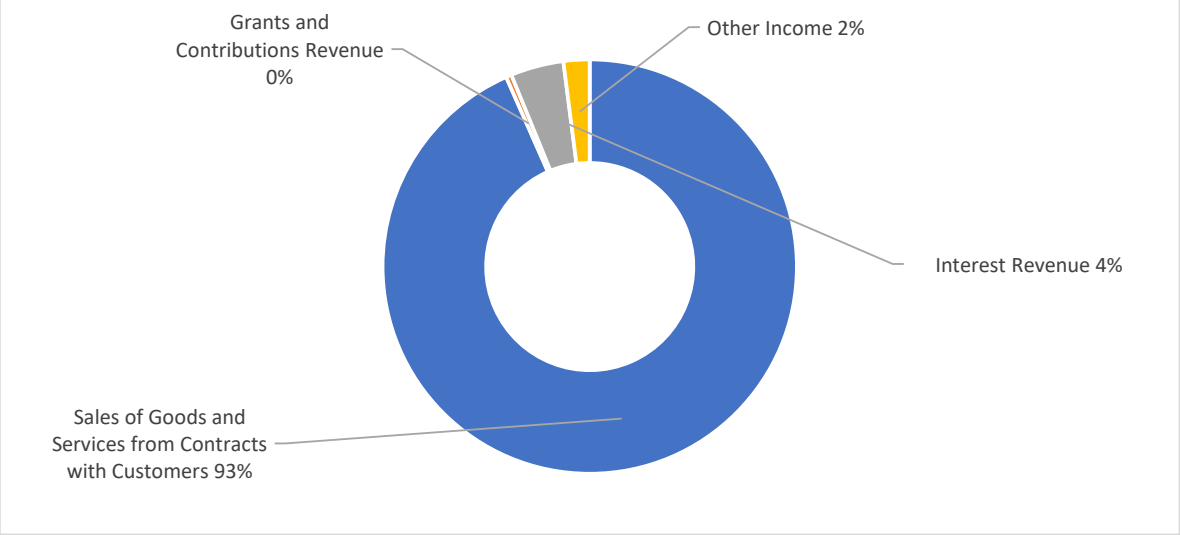


Figure 4 identifies the Authority's Revenue as at 30 June 2026 against to Budget and Prior Year.

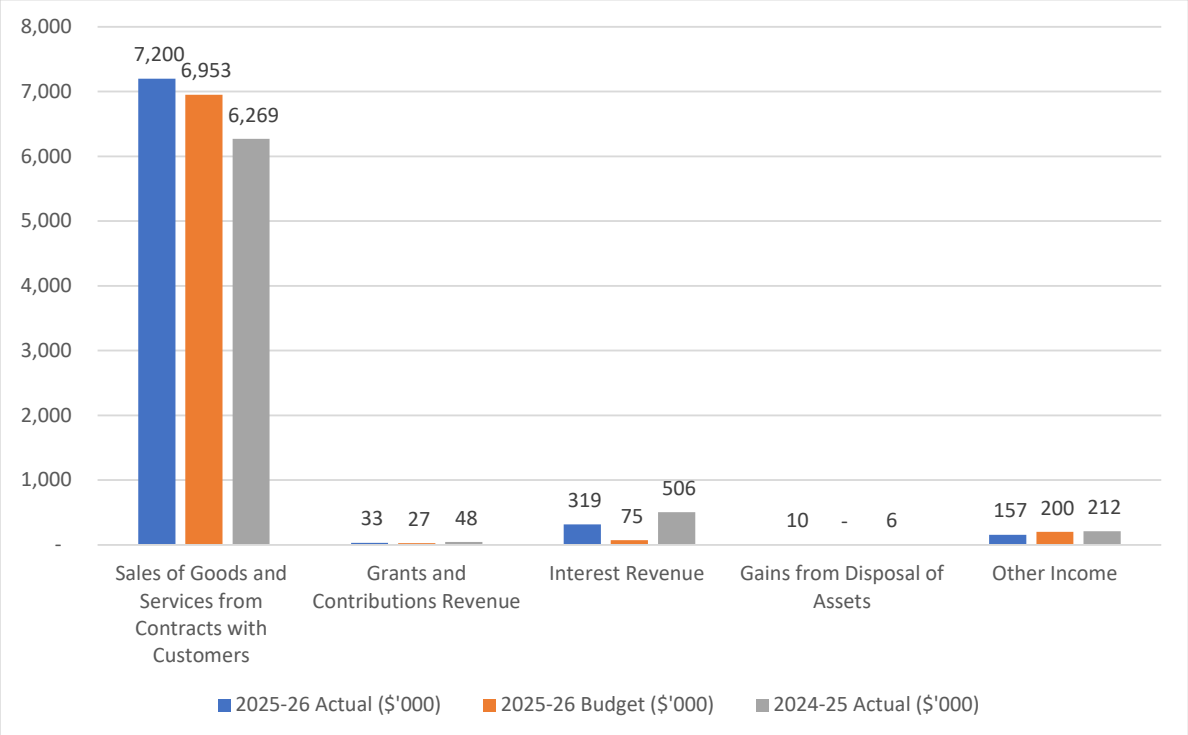
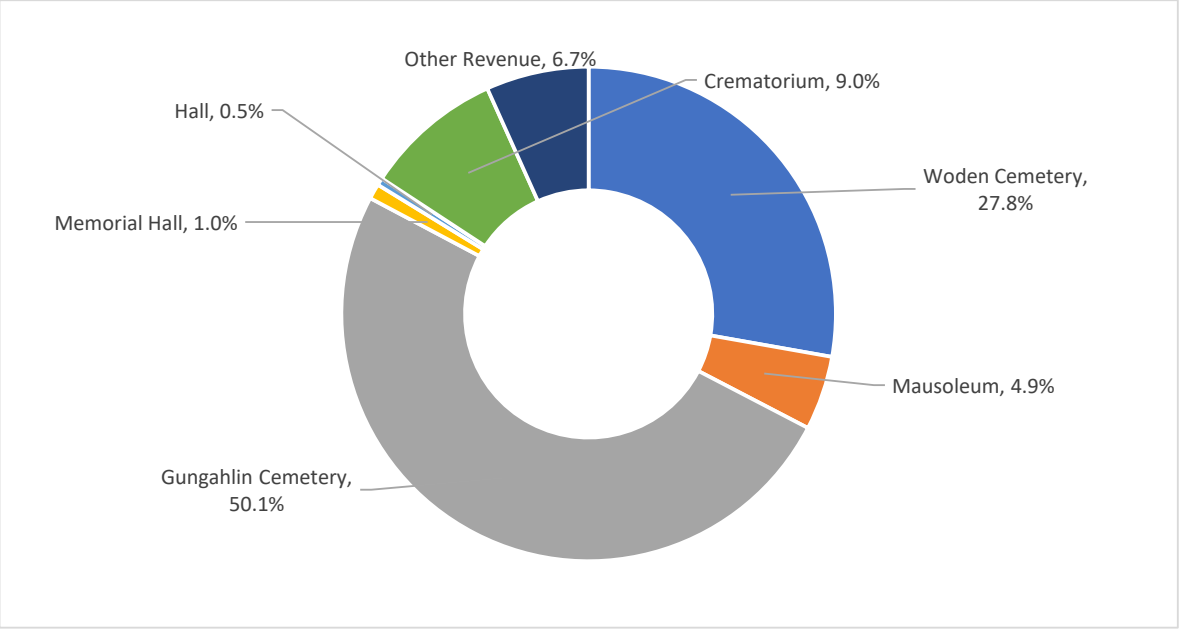


Figure 5. Components of Revenue by Memorial Park as at 30 June 2025.



Comparison to Budget

Total Revenues of $7.719 million was $0.464 million or 6% higher than the 2025-26 Original Budget of $7.255 million. The result is mostly in line with the budget.

Comparison to Prior Year

Total Revenue was $0.677 million or 9% higher than the previous year amount of $7.042 million. The result is mostly consistent with last year's outcome.

3.3 Total Assets

Figure 6. below identifies components of the Authority's assets as at 30 June 2026.

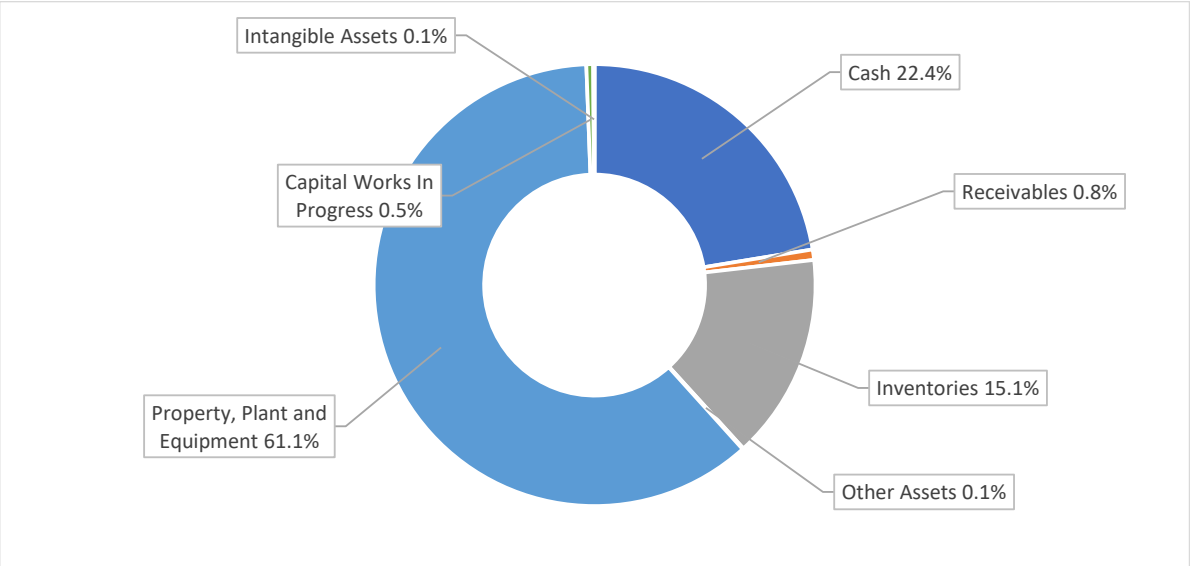
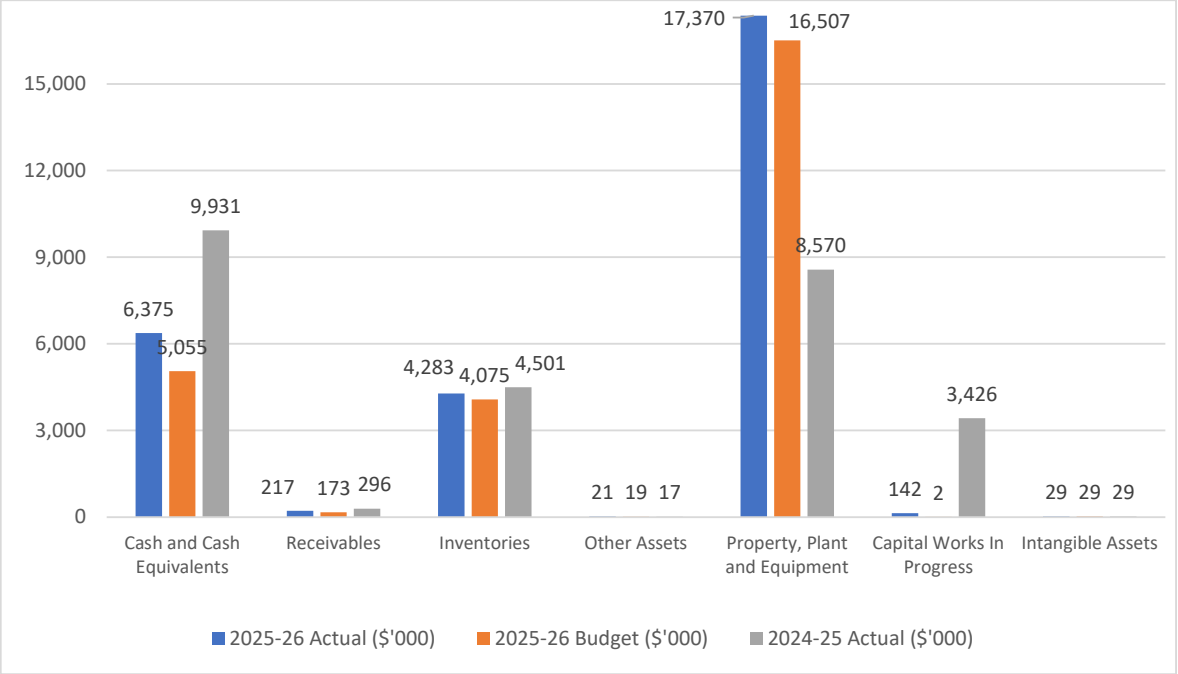


Figure 7. identifies the Authority's Assets as at 30 June 2026 against to Budget and Prior Year.



Comparison to Budget

Total Assets of $28.436 million were $2.576 million or 10% exceeding the 2025-26 Budget of $25.860 million. This favourable variance was mainly due to higher cash balance ($1.320 million) generated from increased sales and interest revenue; together with the capitalisation of Property, Plant and Equipment ($0.863 million) upon completion of the Memorial Hall and Condolence Lounge project at Gungahlin.

Comparison to Prior Year

Total Assets were $1.666 million or 6% higher than the previous year amount of $26.770 million. This increase was mainly driven by the capitalisation of the Memorial Hall and Condolence Lounge ($7.892 million), which was partially offset by reduction in cash balances ($3.556 million) and capital work in progress ($3.284 million).

3.4 Total Liabilities

Figure 8. below identifies components of the Authority's liabilities as at 30 June 2026.

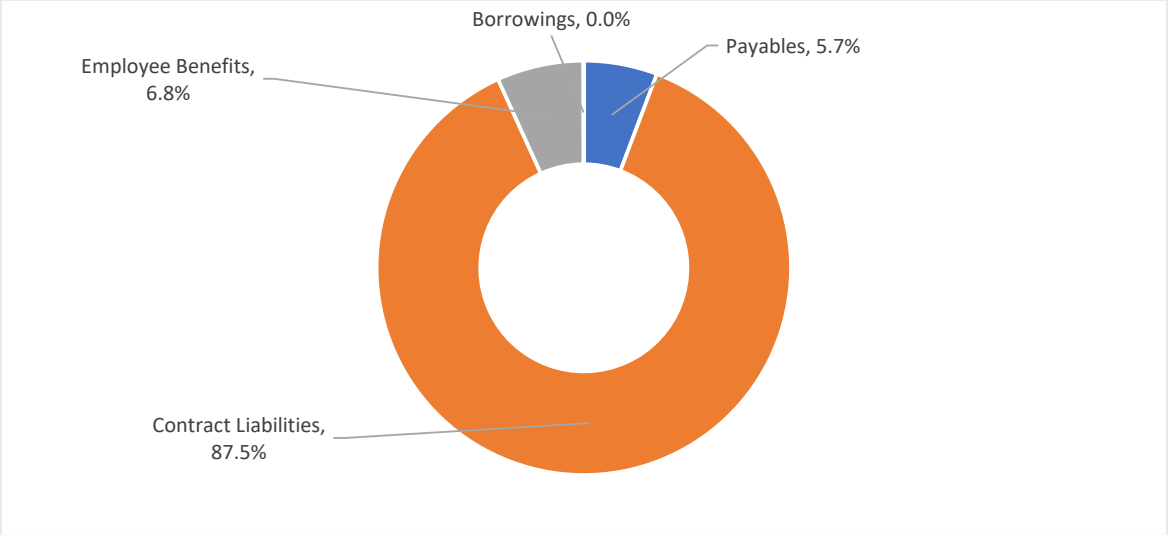
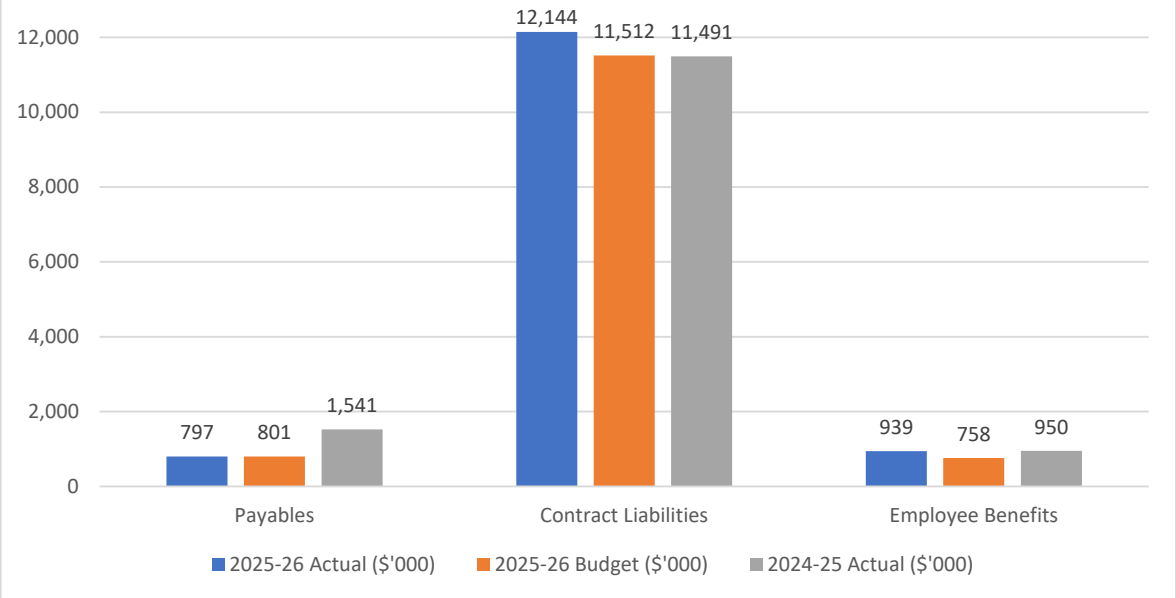


Figure 9. identifies the Authority's Liabilities as at 30 June 2026 against to Budget and Prior Year.



Of the total liabilities as at 30 June 2026 of $13.884 million, around 87% ($12.144 million) relates to contract liabilities. This relates to monies received for burial and memorialisation services which have not been performed as at 30 June 2026.

Comparison to Budget

Liabilities as at 30 June 2026 were $0.805 million, or 6% higher than the 2025-26 Budget of $13.079 million. The increase was mainly attributable to higher contract liabilities ($0.632 million), reflecting revenue received in advance for burial and memorialisation services that will be recognised in future reporting periods as the related performance obligations are satisfied.

Comparison to Prior Year

Liabilities as at 30 June 2026 decreased by $0.106 million or 1% from the previous year amount of $13.990 million. The result is mostly consistent with last year's outcome.

4. LIQUIDITY

'Liquidity' is the ability of the Authority to satisfy its short-term debts as they fall due. A common indicator for liquidity is the current ratio, which compares the ability to fund current liabilities from current assets. A ratio of less than one may indicate a reliance on borrowings.

Table 1 and 2 indicates the liquidity position of the Authority.

Table 1: Current Ratio

	Prior Year Actual 2025	Current Year		Out Years		
		Actual 2026	Budget 2026	Budget 2027	Budget 2028	Budget 2029
Current Assets ($'000)	10,779	7,097	6,844	7,679	8,251	9,374
Current Liabilities ($'000)	13,957	13,839	13,020	15,152	15,668	16,183
Current Ratio	**0.77**	**0.51**	**0.53**	**0.51**	**0.53**	**0.58**

The Authority's current ratio for the financial year to 30 June 2026 is **0.51** and the result is in line with the budget target 0.53. This result has included total contract liabilities and employee benefits liabilities as current liabilities.

- Contract liabilities of $12.144 million relate to revenue received in advance for pre-purchased burial services, only 3.96 percent on average has historically been taken up within 12 months. As such, for the purposes of determining an appropriate current ratio, $0.480 million is considered a short-term liability with $11.663 million considered a long-term liability; and
- Of the employee benefits liabilities $0.939 million, historically on average 1 percent of the long service leave liabilities and 44 percent of the Annual leave liability are taken up within 12 months. As such, for the purposes of determining a realistic current ratio, $0.245 million is considered a current liability with $0.694 million deemed a long-term liability.

A more accurate indication of the current ratio for the Authority is to treat these portions of current liabilities, as non-current liabilities. This is because they are not expected to be paid or recognised within 12 months of the reporting date.

Performing this adjustment indicates a revised current ratio of **4.64** as indicated in *Table 2*, indicating the Authority can comfortably meet debt obligations as they fall due. A reduction from the 2024-25 actual current ratio of 4.81 to 4.64 in 2025-26 is due to a reduction in cash reflecting the capital investment in the Memorial Hall and Condolence lounge at Gungahlin Memorial Park.

Table 2: Adjusted Current Ratio

	Prior Year Actual 2025	Current Year		Out Years		
		Actual 2026	Budget 2026	Budget 2027	Budget 2028	Budget 2029
Current Assets ($'000)	10,779	7,097	6,844	7,679	8,251	9,374
Current Liabilities ($'000) - Adjusted	2,221	1,528	1,417	2,358	2,381	2,402
Current Ratio - Adjusted	**4.85**	**4.64**	**4.83**	**3.26**	**3.47**	**3.90**

FINANCIAL STATEMENTS
OF
CEMETERIES AND CREMATORIA AUTHORITY

FOR THE YEAR ENDED
30 JUNE 2026

ACT Audit Office

AUDITOR-GENERAL AN OFFICER OF THE ACT LEGISLATIVE ASSEMBLY

INDEPENDENT AUDITOR'S REPORT

To the Members of the ACT Legislative Assembly

Opinion

I have audited the financial statements of the Cemeteries and Crematoria Authority (Authority) for the year ended 30 June 2026 which comprise the statement of responsibility, statement by the chief executive officer, operating statement, balance sheet, statement of changes in equity, statement of cash flows and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In my opinion, the accompanying financial statements:

(i) present fairly, in all material respects, the Authority's financial position as at 30 June 2026, and its financial performance and cash flows for the year then ended; and

(ii) are presented in accordance with the *Financial Management Act 1996* and comply with Australian Accounting Standards.

Basis for opinion

I conducted the audit in accordance with the Australian Auditing Standards. My responsibilities under the standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of this report.

I am independent of the Authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (Code). I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the Authority for the financial statements

The Governing Board of the Authority is responsible for:

- preparing and fairly presenting the financial statements in accordance with the *Financial Management Act 1996,* and relevant Australian Accounting Standards;
- determining the internal controls necessary for the preparation and fair presentation of the financial statements so that they are free from material misstatements, whether due to error or fraud; and
- assessing the ability of the Authority to continue as a going concern and disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting in preparing the financial statements.

Auditor's responsibilities for the audit of the financial statements

Under the *Financial Management Act 1996*, the Auditor-General is responsible for issuing an audit report that includes an independent opinion on the financial statements of the Authority.

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion.

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Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the Authority's internal controls;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Authority;
- conclude on the appropriateness of the Authority's use of the going concern basis of accounting and, based on audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in this report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of this report. However, future events or conditions may cause the Authority to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether they represent the underlying transactions and events in a manner that achieves fair presentation.

I communicated with the Governing Board of the Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Clea Lewis
Assistant Auditor-General, Financial Audits
20 August 2026

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Cemeteries and Crematoria Authority
Financial Statements
For the Year Ended 30 June 2026

Statement of Responsibility

In my opinion, Cemeteries and Crematoria Authority's financial statements fairly reflect the financial operations for the year ended 30 June 2026 and its financial position on that date.

Neale Guthrie
Chair of the Board
Cemeteries and Crematoria Authority
18 August 2026

Cemeteries and Crematoria Authority
Financial Statements
For the Year Ended 30 June 2026

Statement by the Chief Executive Officer

In my opinion, Cemeteries and Crematoria Authority's financial statements have been prepared in accordance with the Australian Accounting Standards are in agreement with its accounts and records and fairly reflect the financial operations for the year ended 30 June 2026 and its financial position on that date.

Kerry Stuart McMurray
Chief Executive Officer
Cemeteries and Crematoria Authority
18 August 2026

Cemeteries and Crematoria Authority
Financial Statements
For the Year Ended 30 June 2026

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Cemeteries and Crematoria Authority

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Cemeteries and Crematoria Authority
Operating Statement
For the Year Ended 30 June 2026

	Note No.	Actual 2026 $'000	Original Budget 2026 $'000	Actual 2025 $'000
Income				
Sales of Goods and Services from Contracts with Customers	4	7,200	6,953	6,269
Grants and Contributions Income		33	27	48
Interest Revenue	5	319	75	506
Gains from Disposal of Assets		10	-	6
Other Income		157	200	212
Total Income		**7,719**	**7,255**	**7,042**
Expenses				
Employee Expenses	6	3,239	3,395	3,119
Supplies and Services	7	1,739	1,855	1,651
Depreciation and Amortisation		444	485	436
Cost of Goods Sold and Distributed		697	623	545
Transfers to the Perpetual Care Trust [a]		527	452	412
Other Expenses		-	-	2
Total Expenses		**6,646**	**6,810**	**6,165**
Operating Result		**1,073**	**445**	**877**
Other Comprehensive Income				
Items that will not be reclassified subsequently to profit or loss				
Increase/(Decrease) in the Asset Revaluation Surplus		679	-	(65)
Total Other Comprehensive Result		**679**	**-**	**(65)**
Total Comprehensive Result		**1,752**	**445**	**812**

a. Transfers to the Perpetual Care Trust are recorded as Other Expenses in the Budget Papers.

The above Operating Statement is to be read in conjunction with the accompanying notes.

Cemeteries and Crematoria Authority
Balance Sheet
As at 30 June 2026

	Note No.	Actual 2026 $'000	Original Budget 2026 $'000	Actual 2025 $'000
Current Assets				
Cash and Investments	8	6,375	5,055	9,931
Receivables		217	173	296
Inventories	9	484	1,597	535
Other Assets		21	19	17
Total Current Assets		**7,097**	**6,844**	**10,779**
Non-Current Assets				
Inventories	9	3,799	2,478	3,966
Property, Plant and Equipment	10	17,512	16,509	11,996
Intangible Assets		29	29	29
Total Non-Current Assets		**21,340**	**19,016**	**15,991**
Total Assets		**28,437**	**25,860**	**26,770**
Current Liabilities				
Payables	11	797	801	1,522
Contract Liabilities	11	12,144	11,512	11,491
Employee Benefits	12	894	703	921
Borrowings		4	4	4
Total Current Liabilities		**13,839**	**13,020**	**13,938**
Non-Current Liabilities				
Employee Benefits	12	45	55	29
Borrowings		-	4	4
Total Non-Current Liabilities		**45**	**59**	**33**
Total Liabilities		**13,884**	**13,079**	**13,971**
Net Assets		**14,552**	**12,781**	**12,799**
Equity				
Accumulated Funds		9,403	8,246	8,329
Asset Revaluation Surplus		5,149	4,535	4,470
Total Equity		**14,552**	**12,781**	**12,799**

The above Balance Sheet is to be read in conjunction with the accompanying notes.

In last year's financial statements, a separate Capital Works in Progress (CWIP) line item was disclosed on the face of the Balance Sheet. However, in this year's Balance Sheet, the CWIP line item has been removed with CWIP relating to Property, Plant and Equipment (PPE) included in the PPE line item and the CWIP relating to Intangible Assets included in the Intangible Assets line item.

Cemeteries and Crematoria Authority
Statement of Changes in Equity
For the Year Ended 30 June 2026

	Accumulated Funds Actual 2026 $'000	Asset Revaluation Surplus Actual 2026 $'000	Total Equity Actual 2026 $'000	Total Equity Original Budget 2026 $'000
Balance at 1 July 2025	**8,329**	**4,470**	**12,799**	**12,336**
Comprehensive Income				
Operating Result	1,073	-	1,073	445
Increase in the Asset Revaluation Surplus	-	679	679	-
Total Comprehensive Result	**1,073**	**679**	**1,753**	**445**
Balance at 30 June 2026	**9,403**	**5,149**	**14,552**	**12,781**

	Accumulated Funds Actual 2025 $'000	Asset Revaluation Surplus Actual 2025 $'000	Total Equity Actual 2025 $'000
Balance at 1 July 2024	**7,452**	**4,535**	**11,987**
Comprehensive Income			
Operating Result	877	-	877
(Decrease) in the Asset Revaluation Surplus	-	(65)	(65)
Total Comprehensive Result	**877**	**(65)**	**812**
Balance at 30 June 2025	**8,329**	**4,470**	**12,799**

The above Statement of Changes in Equity is to be read in conjunction with the accompanying notes.

Cemeteries and Crematoria Authority
Statement of Cash Flows
For the Year Ended 30 June 2026

	Note No.	Actual 2026 $'000	Original Budget 2026 $'000	Actual 2025 $'000
Cash Flows from Operating Activities				
Receipts				
Sales of Goods and Services from Contracts with Customers		7,879	7,803	6,690
Interest Received		319	75	506
Goods and Services Tax Input Tax Credit from the Australian Taxation Office		853	229	542
Goods and Services Tax Collected from Customers		370	522	474
Other		176	197	194
Total Receipts from Operating Activities		**9,596**	**8,826**	**8,406**
Payments				
Employee Payments		3,250	3,395	2,937
Supplies and Services		2,650	1,855	1,591
Related to Cost of Goods Sold		478	423	1,836
Goods and Services Tax Remitted to the Australian Taxation Office		371	504	526
Goods and Services Tax Paid to Suppliers		716	204	674
Transfers to the Perpetual Care Trust		412	362	449
Total Payments from Operating Activities		**7,877**	**6,743**	**8,013**
Net Cash Inflows from Operating Activities	9	**1,719**	**2,083**	**393**
Cash Flows from Investing Activities				
Receipts				
Proceeds from Sale of Property, Plant and Equipment		28	-	15
Net Cash inflows from Investing Activities		**28**	**-**	**15**
Payments				
Purchase of Property, Plant and Equipment		5,220	825	628
Purchase of Capital Works		79	3,111	2,066
Total Payments from Investing Activities		**5,299**	**3,936**	**2,694**
Net Cash (Outflows) from Investing Activities		**(5,271)**	**(3,936)**	**(2,679)**
Cash Flows from Financing Activities				
Payments				
Repayment of Carbon Neutral Fund Loan		5	5	5
Total Payments from Financing Activities		**5**	**5**	**5**
Net Cash (Outflows) from Financing Activities		**(5)**	**(5)**	**(5)**
Net (Decrease) in Cash		**(3,556)**	**(1,858)**	**(2,291)**
Cash at the Beginning of the Reporting Period		9,931	6,913	12,222
Cash at the End of the Reporting Period	9	**6,375**	**5,055**	**9,931**

The above Statement of Cash Flows is to be read in conjunction with the accompanying notes.

NOTE 1. OBJECTIVES OF CEMETERIES AND CREMATORIA AUTHORITY

(i) Operations and Principal Activities

The Cemeteries and Crematoria Authority (the Authority), trading as Canberra Memorial Parks, is a not-for-profit independent statutory authority in the General Government Section, established on 23 August 2020 under the *Cemeteries and Crematoria Act 2020* (the Act). The aim of the Authority is to manage public cemeteries and crematoria effectively and efficiently under the Act. It manages and operates three public cemeteries at Gungahlin, Woden and Hall, a Mausoleum on the grounds of Woden Cemetery, a Memorial Hall and Condolence Lounge and Crematorium on the grounds of Gungahlin Cemetery. It aims to operate sustainably on a user pays principle to minimise costs to the ACT Government and the community.

Under Section 114 of the Act, the functions of the Authority are:

a) to develop, build or operate a facility approved by the Minister under Section 115;
b) to recognise the rights of people to the dignified and respectful treatment of their human remains and the human remains of their loved ones when operating the facility;
c) to respect the diverse burial, cremation and interment practices, cultural practices and religious beliefs of people when operating the facility;
d) to operate the facility in a financially sustainable way;
e) to promote financially sustainable practices for burying or cremating human remains or interring cremated remains at the facility;
f) to maintain the facility to an acceptable standard; and
g) any other function given to the Authority under this Act or another territory law.

The Authority provides a wide range of burial options (on a monopoly basis) and operates a crematorium and ash interment services (on a competitive basis). It promotes the pre-purchase of cemetery services, which allows members of the community to plan arrangements ahead of when they are needed.

(ii) Perpetual Care Trust Arrangements

A Perpetual Care Trust (Trust) has been established under the Act for the long-term maintenance of the facilities operated by the Authority as the current licensee once a cemetery is closed.

The Minister for City and Government Services (the Minister) determines the Perpetual Care Trust percentage (also known as the PCT percentage) of the licensee receipts for the facilities to be paid into the Trust. The PCT percentage is the percentage the Minister considers necessary to ensure there are sufficient funds in the Trust to adequately maintain the facilities in perpetuity. There is a requirement under the Act to review the PCT percentage at least once every five years, the percentage was last reviewed in December 2024. In accordance with section 106 of the Act, the PCT percentage determined by the Minister for the period 1 July 2025 to 30 June 2026 is 9.1 percent. The Act requires the payment of the PCT percentage of licensee receipts to the trustee no later than 31 October after the end of each financial year. The ACT Public Trustee and Guardian is the trustee of the Trust.

The amount in the Trust is set aside for the purpose of long-term maintenance after a cemetery is closed and can only be accessed with approval from the Minister. A Regulator is appointed by the Minister to administer the Act. The establishment of the Trust is undertaken by the Regulator.

NOTE 2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

Legislative Requirements

The *Financial Management Act 1996* (FMA) requires the preparation of annual financial statements for ACT Government territory authorities.

The FMA and the Financial Management Guidelines issued under the Act, requires the Authority's financial statements to include:

i. an Operating Statement for the year;

ii. a Balance Sheet at the end of the year;

iii. a Statement of Changes in Equity for the year;

iv. a Statement of Cash Flows for the year;

v. the material accounting policies adopted for the year; and

vi. other statements as necessary to fairly reflect the financial operations of the Authority during the year and its financial position at the end of the year.

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards (as required by the FMA), supplemented by following the ACT Accounting and Disclosure Policies.

Accrual Accounting

The financial statements have been prepared using the accrual basis of accounting. The financial statements are prepared according to historical cost convention, except Property, Plant and Equipment and financial instruments which are valued at fair value in accordance with revaluation policies applicable to the Authority during the reporting period.

Currency

These financial statements are presented in Australian dollars, which is the functional currency.

Individual not-for-profit Reporting Entity

The Authority is an individual not-for-profit reporting entity.

Licensee Receipts

There is a requirement to audit licensee receipts under Section 67 (1) of the *Cemeteries and Crematoria Act 2020*. A licensee receipt is the amount received for the giving of right of burial or right of interment, the burial of human remains, the interment or disinterment of cremated remains or the memorialisation of a deceased person. The licensee receipts in 2025-26 are $5.8m ($5.0m in 2024-25). The Perpetual Care Trust contribution of $0.527m is payable by 31 October 2026 on these licensee receipts to the ACT Public Trustee and Guardian.

Reporting Period

These financial statements state the financial performance, changes in equity and cash flows of the Authority for the year ended 30 June 2026 together with the financial position of the Authority as at 30 June 2026.

Comparative figures

Budget Figures

To facilitate a comparison with the Budget Papers, as required by the FMA, budget information for 2025-26 has been presented in the financial statements. Budget numbers in the financial statements are the original budget numbers that appear in the Statement of Intent.

Prior Year Comparatives

Comparative information has been disclosed in respect of the previous period for amounts reported in the financial statements, except where an Australian Accounting Standard does not require comparative information to be

NOTE 2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS - CONTINUED

disclosed. Where the presentation or classification of items in the financial statements is amended, the

comparative amounts have been reclassified where practical. Where a reclassification has occurred, the nature, amount and reason for the reclassification is provided.

Rounding
All amounts in the financial statements have been rounded to the nearest thousand dollars ($'000). Use of "-" represents zero amounts or amounts rounded down to zero.

Going Concern

The 2025-26 financial statements have been prepared on a going-concern basis. As at 30 June 2026, the Authority's Current Liabilities exceeds its Current Assets by $6.74 million. The Authority considers that it will be able to meet its current liabilities expected to arise in the next 12 months as its current liabilities include contract liabilities for pre-purchased burial services where historically, an average of 3.96% ($0.48 million) have been taken up annually. It does not have the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. As such, the lower expected contract liabilities and lower employee benefits expected to be payable within the next 12 months ($0.2 million) reduce total current liabilities to $1.53 million (refer to section 4 of the Management Discussion and Analysis). This results in an adjusted net current asset position of $5.6 million which indicates the Authority can pay its debts in the short-term and is therefore considered a going concern.

NOTE 3. IMPACT OF ACCOUNTING STANDARDS ISSUED BUT YET TO BE APPLIED

All Australian Accounting Standards and Interpretations issued but yet to be applied are applicable to future reporting periods and will be adopted from their application date.

Standards and Interpretations issued but yet to be applied have been assessed as not being relevant to the Authority or will have an immaterial financial impact on the Authority. However, AASB 18 *Presentation and Disclosure in Financial Statements* (applicable 1 January 2028 for not-for-profit public sector agencies) does contain some major presentation/disclosure changes that may impact on the Authority, including:

- that operating, investing and financing categories as well as additional subtotals have to be included in the Authority's operating statement;
- the disclosure of management-defined performance measures and reconciliations of these measures with the subtotals required by AASB Standards; and
- enhanced requirements for the grouping (aggregation and disaggregation) of information in the financial statements and in the notes.

The AASB has issued an exposure draft (ED 338 *Application of AASB 18 and AASB 107 by Superannuation and Not-for-Profit Entities and Operating Cash Flow Reconciliation*) that outlines modifications to AASB 18 for not-for-profit public sector entities. If these modifications in the exposure draft are adopted, they will effectively enable the Authority to continue to broadly apply the existing disclosure requirements contained in AASB 101 Presentation of Financial Statements. However, as this exposure draft is not yet finalised, the impact on the Authority's financial statements from the adoption of AASB 18 cannot be determined at this time.

INCOME NOTES

Material Accounting Policies – Income

Income Recognition

Revenue is recognised in accordance with AASB 15 *Revenue from Contracts with Customers* where the contract is enforceable and contains sufficiently specific performance obligations, otherwise income is in the scope of AASB 1058 *Income of Not-for Profit* Entities.

NOTE 4. SALES OF GOODS AND SERVICES FROM CONTRACTS WITH CUSTOMERS

Description and Material Accounting Policies relating to the Sale of Goods and Services

Sales of Goods and Services from Contracts with Customers are based on the transfer of promised goods or services to customers at an amount that reflects the consideration in exchange for those goods or services. They are legally retained by the Authority and driven by consumer demand and preferences. Where payment is not received at the time of purchase, payments from customers are generally required within 7 days of the provision of services.

The Authority assesses its revenue from contracts with customers and uses key judgements in determining the satisfaction of performance obligations. Key judgements are also used in determining the transaction price and the amounts allocated to performance obligations.

Sales are generally separated into below types:

- Allotment and maintenance for burial, ashes and Mausoleum income is recognised immediately when an allotment is paid for as the customer receives the right to an allotment upon payment and the maintenance service is an ongoing regular business activity of the Authority. The grounds are regularly maintained and all performance obligations for maintenance are recognised immediately.
- Burial, ashes interment and cremation services is the performance obligation to a customer and therefore, revenue is recognised at this time. Prepaid burial, ashes interment, cremation services components of the fees are initially recognised as contract liabilities on the balance sheet as the performance obligation is not considered to be met until the service is provided.
- The plaque and monument income is recognised when an order is placed and the performance obligation is the ordering of the personalised plaque or monument. The memorial permit income is recognised when the memorial is assessed for compliance and the performance obligation is met when the permit is provided to the customer.

	2026 $'000	2025 $'000
Burial Income	4,426	4,106
Ashes Income	1,149	813
Mausoleum Income	375	279
Crematorium Income	697	701
Memorial Hall Hire and Catering [a]	77	-
Other Sale of Goods and Services	476	307
Total Sales of Goods and Services from Contracts with Customers	**7,200**	**6,269**

a. The Memorial Hall and Condolence Lounge were opened in April 2026, creating a new source of revenue from venue hire and catering services.

NOTE 5. INTEREST REVENUE

Description and Material Accounting Policies relating to Investment Revenue

The Authority is holding one bank account with the Westpac Banking Corporation as part of whole-of-government banking arrangements. The Authority receives interest on this account with an average floating interest rate of 4.31% in 2025-26 (4.61% in 2024-25).

The Authority also has a bank account with the ACT Public Trustee and Guardian and earns an average floating interest rate of 4.41% in 2025-26 (4.94% in 2024-25). The funds in this bank account are separate to and unrelated to funds held by the ACT Public Trustee and Guardian as Trustee of the Perpetual Care Trust.

The Authority uses the effective interest method to measure the interest revenue for the above bank accounts.

	2026 $'000	2025 $'000
Interest Revenue	319	506
Total Interest Revenue [a]	**319**	**506**

a. Interest revenue decreased during the financial year due to reduced cash holdings following the final stage of constructing Memorial Hall and Condolence Lounge, together with lower prevailing interest rates.

EXPENSE NOTES

NOTE 6. EMPLOYEE EXPENSES

Description and Material Accounting Policies Relating to Employee Expenses

Employee expenses comprise all costs incurred in relation to employing staff including wages and salaries, fringe benefits tax, leave entitlements, annual leave loading, termination payments, workers' compensation insurance premiums, accrued flexitime, non-monetary benefits, and other employee benefits and on-cost expenses.

Wages and salaries are recognised in the reporting period when the employee renders services to the agency. They are measured based on the amount paid to employees during the year as well as any wages and salaries due to employees that remain unpaid at the end of the financial year.

Superannuation Expense

Employees of the Authority will have different superannuation agreements due to the type of superannuation schemes available at the time of commencing employment, including both defined benefit and defined contribution superannuation scheme arrangements.

For employees who are members of the defined benefit Public Sector Superannuation Scheme (PSS), the Authority makes employer superannuation contribution payments to the Territory Banking Account at a rate determined by the Chief Minister, Treasury and Economic Development Directorate. The Authority also makes productivity superannuation contribution payments on behalf of these employees to the Commonwealth Superannuation Corporation, which is responsible for administration of the schemes.

For employees who are members of defined contribution superannuation schemes (the Public Sector Superannuation Scheme Accumulation Plan (PSSAP) and schemes of employee choice), the Authority makes employer superannuation contribution payment directly to the employees' relevant superannuation fund.

All defined benefit employer superannuation contributions are recognised as expenses on the same basis as the employer superannuation contributions made to defined contributions schemes. The accruing superannuation liability obligations are expensed as they are incurred and extinguished as they are paid.

NOTE 6. EMPLOYEE EXPENSES - CONTINUED

	2026 $'000	2025 $'000
Wages and Salaries	2,638	2,415
Annual Leave Expense	74	150
Long Service Leave Expense	58	107
Fringe Benefits Tax	30	31
Workers' Compensation Insurance Premium	70	83
Superannuation Contributions to the Territory Banking Account	55	51
Superannuation to External Providers	315	279
Flexitime Expense	(1)	3
Total Employee Expenses [a]	**3,239**	**3,119**

a. The increase in Total Employee Expenses is mainly due to reclassification of positions to higher classification levels and Enterprise Agreement wages increases.

NOTE 7. SUPPLIES AND SERVICES

Description and Material Accounting Policies Relating to Supplies and Services

General – Supplies and Services

Purchases of Supplies and Services generally represent the day-to-day running costs incurred in normal operations, recognised in the reporting period in which these expenses are incurred.

Auditor Service Fees

Includes financial audit services provided by the ACT Audit Office. The Authority audit fees for the audit of its 2025-26 financial statements and review of its statement of performance was $0.09m ($0.1m 2024-25). No other services were provided by the ACT Audit Office.

Insurance

Major risks are insured through the ACT Insurance Authority. The excess payable, under this arrangement, varies depending on each class of insurance held.

Repairs and Maintenance

Maintenance expenses, which do not increase the service potential of an asset, are expensed.

	2026 $'000	2025 $'000
Water Charges	97	77
Repairs and Maintenance	552	460
Handling Fees to Funeral Directors	45	76
Advertising and Marketing	72	35
Insurance and Security	39	37
External Auditor Fees	107	99
Internal Auditor Fees	22	89
Accounting	140	135
Consultants, HR and Legal Fees	98	55
Health and Safety	33	26
Staff Training	18	34
Labour Hire	-	1
Electricity, Gas and Cleaning	119	104
Tools, ICT and Computer Consumables	106	158
Board Fees and Charges	168	168
Other [a]	123	97
Total Supplies and Services	**1,739**	**1,651**

a. Other expenses include low value assets, bank charges, general office, catering and stationery expenses and other miscellaneous expenses.

ASSETS NOTES

NOTE 8. CASH AND INVESTMENTS

Description and Material Accounting Policies Relating to Cash and Investments

Cash includes Cash at Bank.

The Authority holds one bank account with the Westpac Banking Corporation as part of whole-of-government banking arrangements. The Authority also has a bank account with the ACT Public Trustee and Guardian, which is separate and unrelated to funds held by the ACT Public Trustee and Guardian as Trustee of the Perpetual Care Trust.

(a) Cash Balance

	2026	2025
Current Cash	**$'000**	**$'000**
Cash at Bank [a]	4,534	8,169
Investment	1,841	1,762
Total Current Cash	**6,375**	**9,931**
Total Cash	**6,375**	**9,931**

a. The decrease was primarily attributable to expenditure on the final stage of the Memorial Hall and Condolence Lounge construction project at Gungahlin, which was completed in January 2026.

NOTE 8. CASH - CONTINUED

(b) Reconciliation of Cash at the End of the Reporting Period in the Statement of Cash Flows to the Equivalent Items in the Balance Sheet.

	2026 $'000	2025 $'000
Total Cash recorded in the Balance Sheet	6,375	9,931
Cash at the End of the Reporting Period as Recorded in the Statement of Cash Flows	**6,375**	**9,931**

(c) Reconciliation of Operating Result to Net Cash Inflows from Operating Activities

Operating Result	1,073	877
Add/(Less) Non-Cash Items		
Depreciation of Property, Plant and Equipment	444	436
Asset Write Off	-	2
Add/(Less) Items Classified as Investing or Financing		
Net Loss/(Gain) on Disposal of Non-Current Assets	(10)	(6)
Capital Works in Progress Accrued	-	(907)
Cash Before Changes in Operating Assets and Liabilities	**1,507**	**403**
Changes in Operating Assets and Liabilities		
(Increase)/Decrease in Receivables	182	(219)
(Increase)/Decrease in Inventories	220	(1,290)
(Increase)/Decrease in Other Assets	(4)	2
(Decrease)/Increase in Payables and Contract Liabilities	(174)	1,315
(Decrease)/Increase in Employee Benefits	(12)	182
Net Changes in Operating Assets and Liabilities	**212**	**(10)**
Net Cash Inflows from Operating Activities	**1,719**	**393**

NOTE 9. INVENTORIES

Description and Material Accounting Policies Relating to Inventories

Inventory

Inventories held by the Authority include goods and land allocated for interment or memorialisation purposes held for sale, or for consumption in the ordinary course of business operations. It excludes depreciable assets. Inventories are valued at the lower of cost and net realisable value. The cost of land allocated for interment purposes is assigned on the basis of weighted average cost and includes adjacent land and landscaping that add to the amenity of the land for interment.

Net realisable value is determined using the estimated sales proceeds less costs incurred in marketing, selling and distribution to customers.

Inventories acquired for no cost or nominal consideration is measured at current replacement cost at the date of acquisition.

Inventories are classified as either Work in Progress or Finished Goods. Work in Progress includes undeveloped land and expenditure on inventories partially constructed, but not available for sale. Finished Goods are inventories available for sale to customers including land to be used for interment purposes.

NOTE 9. INVENTORIES – CONTINUED

Inventories expected to be sold or utilised within 12 months are recorded as current inventories, with the balance as non-current inventories.

	2026 $'000	2025 $'000
Current Inventories		
Work in Progress/Undeveloped		
Land: Interment Purposes – Cost	30	24
Total Work In Progress/Undeveloped	**30**	**24**
Finished Goods		
Land: Interment Purposes - Cost	252	261
Mausoleum Crypts and Wall Niches - Cost	164	170
Memorials - Cost	38	80
Total Finished Goods	**454**	**511**
Total Current Inventories	**484**	**535**
Non-Current Inventories		
Work in Progress/Undeveloped		
Land: Interment Purposes - Cost	362	399
Total Work In Progress/Undeveloped	**362**	**399**
Finished Goods		
Land: Interment Purposes - Cost	2,084	2,159
Mausoleum Crypts and Wall Niches - Cost	1,353	1,408
Total Finished Goods	**3,437**	**3,567**
Total Non-Current Inventories [a]	**3,799**	**3,966**
Total Inventories	**4,283**	**4,501**

a. The decrease in non-current Inventories was primarily due to the sale of ashes interment products at Sanctury Creek, Gungahlin Cemetery.

Reconciliation of Inventory

Cost of Sales	2026 $'000	2025 $'000
Opening Inventory at the beginning of the Financial Year	4,501	3,211
- Purchases	278	1,621
- Cost of Sales	(496)	(331)
Closing Inventory at the End of the Financial Year	**4,283**	**4,501**

NOTE 10. PROPERTY, PLANT AND EQUIPMENT

Description and Material Accounting Policies Relating to Property, Plant and Equipment

Property, Plant and Equipment include the following classes of assets:

- **Land** is defined as the ground, including the soil covering and any associated surface waters. Land held by the Authority includes leasehold land and land under roads.
- **Buildings** are structures that have a roof and walls which stand permanently in one place. These structures are separately identifiable from the land they are constructed upon and as such do not include this land. Buildings held by the Authority include office buildings, workshops, crematorium and mausoleum.
- **Infrastructure Assets** are physical assets that typically have a long useful life and consist of a complex interconnected network of individual components, which enhance the productivity capacity of the economy and supports cemetery and crematoria services. Infrastructure assets held by the Authority include roadways, landscaping, dams and site improvements.

NOTE 10. PROPERTY, PLANT AND EQUIPMENT - CONTINUED

- **Plant and Equipment** are tangible assets like machinery, apparatus, appliances, containers, implements or tools that are used to produce goods or assist in providing services to the community. Plant and equipment tend to be smaller and more mobile in nature than other types of property, plant and equipment like buildings, roads and land. The Plant and Equipment include various gardening and power tools and office equipment.
- **Motor Vehicles:** The Authority currently owns four vehicles.
- **Heritage and Community Assets** refer to assets that have unique cultural, historical, geographical, scientific, and/or environmental attributes and that Government intends to preserve indefinitely because of those attributes. A common feature of heritage assets is that they cannot be replaced and they are not usually available for sale or for redeployment. Heritage assets held by the Authority including Woden Caretakers Cottage and Offices/Visitors Rooms at Woden Cemetery.
- **Capital Works in Progress (CWIP)** is property, plant and equipment that is in the process of being constructed and as such is not yet in use or available for use. That is, CWIP is property, plant and equipment which is not in a location and condition necessary for it to be capable of operating in a manner intended by management. CWIP held by the Authority included buildings under construction.

Acquisition and Recognition of Property, Plant and Equipment
Property, Plant and Equipment assets are initially measured at cost. Where Property, Plant and Equipment assets are acquired at no or minimal cost, cost is at fair value as at the date of acquisition.

Capital works in progress are recognised at the time the construction activity occurs. These assets are measured at the cost of constructing the asset.

All Asset Class of Property, Plant and Equipment with a value greater than $5,000 are capitalised.

Measurement of Property, Plant and Equipment after Initial Recognition
Property, Plant and Equipment is measured using the revaluation model of valuation. The Authority measures land, buildings, and infrastructure assets at fair value.

Valuation of Non-Current Assets
Revaluations were undertaken by Aon Global Risk Consulting Pty Limited (AON) as at 30 June 2026. AON hold a recognised and relevant professional qualification and have recent experience in the location and category of the property, plant and equipment involved. A market based direct comparison approach was used for Land. The depreciated replacement cost method was used for Buildings and Infrastructure Assets. The market approach was used for Plant and Equipment and Motor Vehicles.

The Authority has made a significant estimate regarding the fair value of its property, plant and equipment. Land and Buildings have been recorded at the market value of similar properties as determined by an independent valuer. In some circumstances, buildings that are purpose built may in fact realise more or less in the market. Infrastructure Assets have been recorded at fair value based on current replacement cost as determined by an independent valuer. The valuation uses significant judgements and estimates to determine fair value, including the appropriate indexation figure, zoning restrictions and quantum of assets held. The fair value of assets is subject to management assessment between valuations.

Revaluation
Land, building, infrastructure assets and heritage assets are revalued every three years. Towards the end of each financial year, the Cemeteries and Crematoria Authority assesses whether there are any 'indicators' that the carrying amount of their Property, Plant and Equipment is materially different to fair value. Where these indicators exist, the asset will be revalued regardless of when the last valuation took place. Any accumulated depreciation relating to building at the date of revaluation is written back against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

NOTE 10. PROPERTY, PLANT AND EQUIPMENT - CONTINUED

Any accumulated depreciation relating to infrastructure assets is restated proportionally with the change in the gross carrying amount so that the net carrying amount of those assets after revaluation equals its revalued amount.

Impairment of assets
At each reporting date, the Authority assesses whether there is any indication that an asset may be impaired. Assets are also reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Any resulting impairment losses relating to non-specialised land and buildings are recognised as a decrease in the Asset Revaluation Surplus relating to these classes of assets where possible. This is because these asset classes are measured at fair value and have an Asset Revaluation Surplus attached to them. Where the impairment loss is greater than the balance in the Asset Revaluation Surplus for the relevant class of asset, the difference is recognised in the Operating Statement.

Impairment losses for plant and equipment, and leasehold improvements are recognised in the Operating Statement – Other Expenses, as plant and equipment is carried at cost, and leasehold improvements are carried at fair value but do not have an Asset Revaluation Surplus attached to them. The carrying amount of the asset is reduced to its recoverable amount.

Non-financial assets that have previously been impaired are reviewed for possible reversal of impairment at each reporting date.

Depreciation and Useful Life
Depreciation is applied to physical assets such as Buildings, Infrastructure Assets, and Plant and Equipment.
All depreciation is calculated after first deducting any residual values which remain for each asset.

Depreciation for non-current assets is determined as follows.

Class of Asset	Depreciation Method	Useful Life (Years)
Buildings	Straight-line	2-100
Plant and Equipment	Straight-line	1-126
Motor Vehicles	Diminishing Value	1-8
Infrastructure	Straight-line	3-150
Heritage and Community Assets	Straight-line	2-126

The Authority has made a significant estimate in determining the useful lives of its Property, Plant and Equipment. The estimation of useful lives of Property, Plant and Equipment is based on the historical experience of similar assets and in some cases has been based on valuations provided by independent valuers. The useful lives are assessed on an annual basis and adjustments are made when necessary.

NOTE 10. PROPERTY, PLANT AND EQUIPMENT - CONTINUED

Reconciliation of Property, Plant and Equipment 2025-26

	Land $'000	Buildings $'000	Infrastructure Assets $'000	Heritage Assets $'000	Plant and Equipment $'000	Capital Works In Progress[a] $'000	Motor Vehicles $'000	Total $'000
Carrying Amount at the Beginning of the Reporting Period	**47**	**2,985**	**3,977**	**280**	**1,229**	**3,426**	**52**	**11,996**
Additions	-	20	-	-	13	5,206	60	**5,298**
CWIP completed and Transferred to Property, Plant and Equipment	-	5,754	1,434	-	1,302	(8,490)	-	**-**
Depreciation	-	(124)	(132)	-	(169)	-	(19)	**(444)**
Disposals	-	-	-	-	-	-	(18)	**(18)**
Increase in the Asset Revaluation	-	460	(116)	-	257	-	79	**680**
Carrying Amount at the End of the Reporting Period	**47**	**9,095**	**5,162**	**280**	**2,632**	**142**	**154**	**17,512**
Carrying Amount at the End of the Reporting Period, is represented by:								
Gross Book Value	47	9,095	5,162	280	2,632	142	154	**17,512**
Accumulated Depreciation	-	-	-	-	-	-	-	-
Carrying Amount at the End of the Reporting Period	**47**	**9,095**	**5,162**	**280**	**2,632**	**142**	**154**	**17,512**

NOTE 10. PROPERTY, PLANT AND EQUIPMENT - CONTINUED

Reconciliation of Property, Plant and Equipment 2024-25

	Land $'000	Buildings $'000	Infrastructure Assets $'000	Heritage Assets $'000	Plant and Equipment $'000	Capital Works In Progress[a] $'000	Motor Vehicles $'000	Total $'000
Carrying Amount at the Beginning of the Reporting Period	**47**	**2,886**	**3,780**	**280**	**1,383**	**453**	**79**	**8,908**
Additions	-	202	389	-	34	2,973	-	**3,598**
Depreciation	-	(103)	(128)	-	(178)	-	(27)	**(436)**
Disposals	-	-	-	-	(33)	-	-	**(33)**
Impairment Losses Recognised in Other Comprehensive Income	-	-	(65)	-	-	-	-	**(65)**
Other	-	-	1	-	22	-	-	**23**
Carrying Amount at the End of the Reporting Period	**47**	**2,985**	**3,977**	**280**	**1,229**	**3,426**	**52**	**11,996**
Carrying Amount at the End of the Reporting Period, is represented by:								
Gross Book Value	47	3,188	4,361	280	1,626	3,426	152	**13,080**
Accumulated Depreciation	-	(203)	(250)	-	(397)	-	(100)	**(950)**
Accumulated Impairment Losses	-	-	(134)	-	-	-	-	**(134)**
Carrying Amount at the End of the Reporting Period	**47**	**2,985**	**3,977**	**280**	**1,229**	**3,426**	**52**	**11,996**

a. In last year's financial statements this note included a separate 'Reconciliation of Capital Works in Progress' and a 'Reconciliation of Capital Works in Progress Amount from the Notes to the Amount on the Face of the Balance Sheet'. However, in this year's financial statements both reconciliations have been removed given the Capital Works in Progress line item on the face of the Balance Sheet has been removed and a Capital Works in Progress column has been added to the 'Reconciliation of Property, Plant and Equipment' above.

NOTE 10. PROPERTY, PLANT AND EQUIPMENT – CONTINUED

Fair Value Hierarchy

The Fair Value Hierarchy below reflects the significance of the inputs used in determining fair value. The Fair Value Hierarchy is made up of the following three levels:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets that the Authority can access at the measurement date;
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for asset, either directly or indirectly; and
- Level 3 – inputs that are unobservable for particular assets or liabilities.

Details of Property, Plant and Equipment at fair value and information about the Fair Value Hierarchy as at 30 June are as follows:

	Classification According to the Fair Value Hierarchy		
	Level 2	Level 3	Total
2026	**$'000**	**$'000**	**$'000**
Property, Plant and Equipment at Fair Value			
Land	-	47	**47**
Buildings	-	9,095	**9,095**
Heritage Assets	-	280	**280**
Infrastructure Assets	-	5,162	**5,162**
Plant and Equipment	2,632	-	**2,632**
Motor Vehicles	154	-	**154**
Total	**2,786**	**14,584**	**17,370**

	Classification According to the Fair Value Hierarchy		
	Level 2	Level 3	Total
2025	**$'000**	**$'000**	**$'000**
Property, Plant and Equipment at Fair Value			
Land	-	47	**47**
Buildings	-	2,985	**2,985**
Heritage Assets	-	280	**280**
Infrastructure Assets	-	3,977	**3,977**
Plant and Equipment	1,229	-	**1,229**
Motor Vehicles	52	-	**52**
Total	**1,281**	**7,289**	**8,570**

Transfers Between Categories

There have been no transfers between Levels 2 and 3 during the current and previous reporting period.

Valuation Techniques, Inputs and Processes

Level 2 Valuation Techniques and Inputs

Valuation Technique: the valuation technique used to value Plant and Equipment is the market approach that reflects recent transaction prices for similar Plant and Equipment.

NOTE 10. PROPERTY, PLANT AND EQUIPMENT - CONTINUED

Level 3 Valuation Techniques and Significant Unobservable Inputs

Land

Valuation Technique: Land where there is no active market or significant restrictions is valued through the market approach.

Significant Unobservable Inputs: selecting land with similar approximate utility. In determining the value of land with similar approximate utility, significant adjustment to market based data was required.

In determining the value of Land, sales of vacant land with a similar specialised nature and similar restrictive zonings and crown lease purpose clauses have been used for the square metre rate. Given the specialised nature of the property including that the land would have limited alternate use is impacted by restrictive zoning and heritage listing, a lower nominal value was deemed appropriate. The land fair value has been significantly reduced to incorporate the market based data.

Building, Infrastructure Assets and Heritage Assets

Valuation Technique: the valuation of Buildings, Infrastructure Assets and Heritage Assets were measured using the cost or depreciated replacement costs approach.

Significant Unobservable Inputs: estimating the cost to a market participant to construct assets of comparable utility adjusted for obsolescence. For buildings, historical cost per square metre of floor area was also used in measuring fair value. For infrastructure assets the historical costs per cubic metre was also used in measuring fair value. The value of the building and site improvements has been determined by first establishing their estimated cost to replace with an equivalent new asset less depreciation for their physical, functional and economic obsolescence. Regard was taken of the Crown Lease terms and tenure, The Australian Capital Territory Plan and the National Capital Plan, where applicable, as well as current zoning. Regard was given to the age and condition of the assets, their estimated replacement cost and current use. This required the use of internal data provided by the Authority.

Fair Value Measurements using Significant Unobservable Inputs (Level 3)

2026	**Land** **$'000**	**Buildings** **$'000**	**Infrastructure Assets** **$'000**	**Heritage Assets** **$'000**	**Total** **$'000**
Fair Value at the Beginning of the Reporting Period	47	2,985	3,977	280	7,289
Additions	-	5,774	1,434	-	7,208
Depreciation	-	(124)	(132)	-	(256)
Increase in the Asset Revaluation Surplus		460	(116)		344
Fair Value at the End of the Reporting Period	**47**	**9,095**	**5,162**	**280**	**14,584**

2025	**Land** **$'000**	**Buildings** **$'000**	**Infrastructure Assets** **$'000**	**Heritage Assets** **$'000**	**Total** **$'000**
Fair Value at the Beginning of the Reporting Period	**47**	**2,886**	**3,780**	**280**	**6,993**
Additions	-	202	389	-	**591**
Depreciation	-	(103)	(128)	-	**(231)**
Impairment Losses Recognised in Other Comprehensive Income	-	-	(65)	-	**(65)**
Other	-	-	1	-	**1**
Fair Value at the End of the Reporting Period	**47**	**2,985**	**3,977**	**280**	**7,289**

LIABILITIES NOTES

NOTE 11. PAYABLES AND CONTRACT LIABILITIES

Description and Material Accounting Policies Relating to Payables and Contract Liabilities

Payables

Cemeteries and Crematoria Authority Payables include Trade Payables and Accrued Expenses. Payables are initially recognised at fair value based on the transaction cost and subsequent to initial recognition at amortised cost, with any adjustments to the carrying amount being recorded in the Operating Statement. All amounts are normally settled within 14 days after the invoice date.

Contract liabilities

Contract liabilities relate to consideration received in advance from customers in respect of Sales of Goods and Services Revenue with sufficiently specific performance obligations. When an amount of consideration is received from customers prior to the Authority meeting its performance obligations for providing goods or services under contract with customers, the balance of the consideration which has not been transferred is classified as a contract liability.

	2026 $'000	2025 $'000
Current Payables and Contract Liabilities		
Current Payables		
Trade Payables [a]	-	957
Accrued Expenses	169	153
Perpetual Care Trust Payables	527	412
Goods and Services Tax Payable	101	-
	797	**1,522**
Current Contract Liabilities		
Amounts Received Related to Contracts with Customers for Goods and Services where the Performance Obligations has not yet been Satisfied	12,144	11,491
Total Current Contract Liabilities	**12,144**	**11,491**
Total Current Payables and Contract Liabilities	**12,941**	**13,013**
Payables are aged as follows:		
Not Overdue	797	1,522
Total Payables	**797**	**1,522**
Reconciliation of Contract Liabilities		
Contract Liabilities at the Beginning of the Reporting Period	11,491	10,994
Add: Payments received for performance obligations which have not yet been completed at the end of the Reporting Period	1,116	952
Less: Revenue recognised that was Included in the Contract Liability Balance at the beginning of the Reporting Period	463	(455)
Contract Liabilities at the End of the Reporting Period	**12,144**	**11,491**

a. The decrease ($0.9m) in trade payables is primarily attributable to the completion of the Memorial Hall and Condolence Lounge construction project in January 2026, reducing outstanding invoices at year-end.

NOTE 12. EMPLOYEE BENEFITS

Description and Material Accounting Policies Relating to Employee Benefits

Accrued wages and salaries
Accrued Wages and Salaries are measured at the amount that remains unpaid to employees at the end of the reporting period.

Annual and Long Service Leave
Annual and long service leave, including applicable on-costs, that are not expected to be wholly settled before twelve months after the end of the reporting period when the employees render the related service, are measured at present value. The present value is determined based on the estimated future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to the future wage and salary levels, experience of employee departures and periods of service. At the end of each reporting period, the present value of future annual leave and long service leave payments is estimated using market yields on Commonwealth Government bonds with terms to maturity that match, as closely as possible, the estimated future cash flows.

Annual Leave liabilities have been estimated on the assumption they will be wholly settled within three years. The rate used at 30 June 2026 to estimate the present value of future payments for Annual Leave is 98.0% (99.5% in the previous financial year).

The Long Service Leave liability is estimated with reference to the minimum period of qualifying service. For employees with less than the required minimum period of 7 years of qualifying service, the probability that employees will reach the required minimum period has been taken into account in estimating the provision for Long Service Leave and applicable on-costs. The rated used at 30 June 2025 to estimate the present value of future payments for Long Service Leave is 95.5% (100.1% at 30 June 2025).

The provision for Annual Leave and Long Service Leave includes estimated on-costs. On-costs only become payable if the employee takes annual and long service leave while in-service. The probability that employees will take annual and long service leave while in-service has been taken into account in estimating the liability for on-costs.

Significant judgements have been applied in estimating the annual and long service leave liabilities, given the Cemeteries and Crematoria Authority uses the Whole-of-Government present value, probability and on-cost factors. These factors are issued by ACT Treasury and apply to all ACT Government Agencies. ACT Treasury organises an actuarial review to be undertaken every three years by the Australian Government Actuary to estimate each of these factors. The latest assessment was undertaken in December 2024 and early 2025, with the next review expected to be undertaken by late 2027.

Annual Leave and Long Service Leave liabilities are classified as current liabilities in the Balance Sheet where there are no unconditional rights to defer the settlement of the liability for at least 12 months. Conditional Long Service Leave liabilities are classified as non-current because the Authority has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

Superannuation Liability
The employer superannuation benefits payable to the Authority employees, who are members of the defined benefit CSS or PSS Schemes, are recognised in the financial statements of the Superannuation Provision Account.

NOTE 12. EMPLOYEE BENEFITS - CONTINUED

	2026 $'000	2025 $'000
Current Employee Benefits		
Annual Leave	293	377
Long Service Leave	487	452
Accrued Salaries	100	83
Flexitime	-	3
Other Benefits	14	6
Total Current Employee Benefits	**894**	**921**
Non-Current Employee Benefits		
Long Service Leave	45	29
Total Non-Current Employee Benefits	**45**	**29**
Total Employee Benefits	**939**	**950**
Estimate of When Leave is Payable		
Estimated Amount Payable within 12 Months		
Annual Leave	128	98
Long Service Leave	3	3
Accrued Salaries	100	83
Flexitime	-	3
Other Benefits	14	6
Total Employee Benefits Payable within 12 Months	**245**	**193**
Annual Leave	165	279
Long Service Leave	529	478
Total Employee Benefits Payable after 12 Months	**694**	**757**
Total Employee Benefits	**939**	**950**

As at 30 June 2026 Cemeteries and Crematoria Authority employed 26 full time equivalent (FTE) staff, consistent with the staffing level as at 30 June 2025.

NOTE 13. FINANCIAL INSTRUMENTS

Material Accounting Policies Relating to Financial Instruments

Details of the material accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset and financial liability are disclosed in the note to which they relate. In addition to these policies, the following are also accounting policies relating to financial assets and liabilities.

The Authority's financial assets are subsequently measured at amortised cost on the basis of both:

(a) the business model for managing the financial assets; and
(b) the contractual cash flow characteristics of the financial assets.

NOTE 13. FINANCIAL INSTRUMENTS - CONTINUED

The following are the classification of the Authority's financial assets under AASB 9 *Financial Instruments*.

Items	Business Model Held to collect principal and interest/sell	Solely for payment of Principal and Interest SPPI Test (basic lending characteristics)	Classification
Cash	Held to collect	Yes	Amortised cost
Accounts Receivable	Held to collect	Yes	Amortised cost
Accrued Revenue	Held to Collect	Yes	Amortised cost

Financial liabilities are measured at amortised cost.

Interest Rate Risk
Interest Rate Risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

A great portion of financial assets are held in floating interest rate arrangements which means that the Authority is exposed to movements in interest receivable. Interest rates have decreased during the financial year end 30 June 2026 and it has resulted in a decrease in the amount of interest received.

Interest rate risk for financial assets is managed by the Authority by trying to hold only floating interest rate investments that are low risk. The borrowings under Carbon Neutral Government Fund are interest free. All other financial liabilities are non-interest bearing, therefore the Authority is not exposed to movements in interest payable.

There have been no changes in risk exposure or processes for managing risk since the last reporting period.

Sensitivity Analysis
A sensitivity analysis has not been undertaken for the interest rate risk of the Authority as it has been determined that the possible impact on income and expenses or total equity from fluctuations in interest rates is immaterial.

Credit Risk
Credit Risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Authority's credit risk is limited to the amount of the financial assets it holds net of any provision for impairment. The Authority expects to collect all financial assets that are not past due or impaired.

Credit risk is managed by the Authority for cash at bank by holding a bank balance with the ACT Government's appointed transactional bank, Westpac Banking Corporation (Westpac). S&P Global Ratings has assigned a AA-issuer credit rating to Westpac. A "AA-" credit rating means the obligor has a 'very strong to strong capacity to meet its financial commitments'.

The Authority also holds cash with the Public Trustee and Guardian for the ACT. There is insignificant credit risk for funds held by the ACT Public Trustee and Guardian. The Authority manages credit risk by investing only with Approved Deposit Funds (funds that are regulated by the Australian Prudential Regulation Authority (APRA)).

There have been no significant changes in credit risk exposure or processes for managing credit risk since the last reporting period.

Liquidity Risk

Liquidity Risk is the risk that the Authority will encounter difficulties in meeting obligations associated with its liabilities that are settled by delivering cash or another financial asset. The Authority ensures that it has a sufficient amount of current financial assets to meet its current financial liabilities. The Authority has expanded its business to include a crematorium. This is expected to improve its liquidity in the future.

NOTE 13. FINANCIAL INSTRUMENTS – CONTINUED

Fair Value of Financial Assets and Financial Liabilities

The carrying amount of Financial Assets and Financial Liabilities at the end of the reporting period are:

	Carrying Amount 2026 $'000	Carrying Amount 2025 $'000
Financial Assets		
Cash	6,375	9,931
Receivables	217	153
Total Financial Assets	**6,592**	**10,084**
Financial Liabilities		
Payables	-	957
Borrowings	4	9
Total Financial Liabilities	**4**	**966**

The carrying amount of financial assets and financial liabilities approximate their fair value. The financial liabilities are Non-Interest bearing and will mature in 1 year or less.

NOTE 14. COMMITMENTS

Description and Material Accounting Policies Relating to Commitments

Commitments are a firm intention, but not a present obligation, at the end of the reporting period to incur future expenditure. As such, commitments do not constitute a liability. Commitments usually arise from contracts but can arise from other things like placing an order.

Commitments are measured at their value and are GST inclusive.

The commitments included contracts for Cleaning, Internal Auditor, Security and Cemeteries Database software and ICT services provided by the Digital, Data & Technology Solutions (DDTS).

Other Commitments

Other commitments contracted at reporting date but not recognised as liabilities, are payable as follows:

	2026 $'000	2025 $'000
Within one year [a]	203	101
Later than one year but not later than five years	192	153
Later than five years	-	1
Total Other Commitments	**395**	**255**

NOTE 15. RELATED PARTY DISCLOSURES

Description and Material Accounting Policies Relating to Related Party Disclosures

A related party is a person who controls or has significant influence over the reporting entity, or is a member of the Key Management Personnel (KMP) of the reporting entity or its parent entity, and includes their close family members and entities in which the KMP and/or their close family members individually or jointly have controlling interests.

KMP are those persons having authority and responsibility for planning, directing and controlling the activities of the Authority, directly or indirectly.

KMP of the Authority are the Portfolio Minister, the Authority Board Members and the Chief Executive Officer. The Head of Service and the ACT Executive comprising the Cabinet Ministers are KMP of the ACT Government and therefore related parties of the Authority.

This note does not include typical citizen transactions between the KMP and the Authority that occur on terms and conditions no different to those applying to the general public.

(A) CONTROLLING ENTITY
The Authority is an ACT Government controlled entity.

(B) KEY MANAGEMENT PERSONNEL

Compensation of Key Management Personnel

Compensation of the Portfolio Minister, is disclosed in the note on related party disclosures included in the ACT Executive's Financial Statements for the year ended 30 June 2026.

Compensation of the Head of Service is included in the note on related party disclosures included in the Chief Ministers, Treasury and Economic Development Directorate (CMTEDD) financial statements for the year ended 30 June 2026.

NOTE 15. RELATED PARTY DISCLOSURES - CONTINUED

Compensation by the Authority to other KMP is set out below.

	2026	2025
	$'000	$'000
Short-term employee benefits [a]	333	246
Post employment benefits [a]	100	28
Other long-term benefits	8	6
Board member fees	137	126
Total Compensation to KMP	**577**	**406**

a. The Authority paid out leave entitlements due to a change in employment terms during 2025-26 for an existing staff member.

(C) TRANSACTIONS WITH OTHER ACT GOVERNMENT CONTROLLED ENTITIES

The Authority has entered into transactions with other ACT Government entities in 2026 and 2025 consistent with day-to-day business operations provided under varying terms and conditions. The notes to the Financial Statements provide the details of transactions with other ACT Government Entities. Below is a summary of the material transactions with other ACT Government Entities.

Expenses

a. Supplies and Services (Note 7) – in 2025-26, the Authority paid $0.086m to the ACT Audit Office for audit services, paid City and Environment Directorate $0.140m for financial services, paid $0.082m to Roads ACT and City and Environment Directorate for the supply of water, paid insurance premiums of $0.013m to the ACT Insurance Authority, paid $0.007m to ACT Property Group for building maintenance and paid $0.023m to Digital Canberra for IT services and equipment.

NOTE 16. BUDGETARY REPORTING

Significant Accounting Judgements and Estimates – Budgetary Reporting

Significant judgements have been applied in determining what variances are considered 'major variances'. Variances are considered major if both of the following criteria are met:

- The line item is a significant line item: where either the line item actual amount accounts for more than 10% of the relevant associated actual category amount (Income, Expenses, Assets, Liabilities and Equity totals) or more than 10% of the sub-element (e.g. Current Liabilities and Receipts from Operating Activities totals) of the financial statements; and
- the variances (original budget to actual) are greater than plus (+) or minus (-) 10% and $500,000 of the budget for the financial statement line item.

Original Budget refers to the amounts presented to the Legislative Assembly in the original budgeted financial statements in respect of the reporting period Budget Statements. These amounts have not been adjusted to reflect supplementary appropriation or appropriation instruments.

	Variance Explanation	Actual 2026	Original Budget 2026	Variance	Variance
		$'000	$'000	$'000	%
Operating Statement Line Items					
Increase in the Asset Revaluation Surplus	1	679	-	679	100%

Variance Explanations

1. The higher than budgeted result is largely due to upward revaluations of Building and Landscaping assets relating to the newly established Memorial Hall and Condolence Lounge.

Balance Sheet Line Items					
Cash and Cash Equivalents	1	6,375	5,055	1,320	26%
Current Inventories	2	484	1,597	(1,113)	(70%)
Non-Current Inventories	2	3,799	2,478	1,321	53%

Variance Explanations

1. The higher than budgeted result is mainly due to higher sales of goods and services to customers and interest revenue.
2. The lower than budgeted current inventories and higher than budgeted non-current inventories primarily reflect the reclassification of the Sanctuary Creek Ash Garden at Gungahlin cemetery to better align its expected period of utilisation and sale.

Statement of Cash Flows Line Items					
Supplies and Services	1	2,650	1,855	795	43%
Purchase of Property Plant&Equipment	2	5,220	825	4,395	533%
Payment for Capital Works	2	79	3,111	(3,032)	(97%)

Variance Explanations

1. The higher than budgeted payments for supplies and services were mainly attributable to higher costs on catering, cremator maintenance, monument maintenance, building maintenance, waste removal and irrigation maintenance.
2. The higher than budgeted purchase of Property, Plant and Equipment and lower than budgeted payment for Capital Works mainly reflect capitalisation of Memorial Hall and Condolence Lounge from work in progress upon completion of the project.

Statement of Changes in Equity - these line items are covered in other financial statements.

ACT Audit Office

AUDITOR-GENERAL AN OFFICER OF THE ACT LEGISLATIVE ASSEMBLY

INDEPENDENT LIMITED ASSURANCE REPORT

To the Members of the ACT Legislative Assembly

Conclusion

I have undertaken a limited assurance engagement on the statement of performance of the Cemeteries and Crematoria Authority (Authority) for the year ended 30 June 2026.

Based on the procedures performed and evidence obtained, nothing has come to my attention to indicate the results of the accountability indicators reported in the statement of performance for the year ended 30 June 2026 are not in agreement with the Authority's records or do not fairly reflect, in all material respects, the performance of the Authority, in accordance with the *Financial Management Act 1996*.

Basis for conclusion

I have conducted the engagement in accordance with the Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*. My responsibilities under the standard and legislation are described in the 'Auditor-General's responsibilities' section of this report.

I have complied with the independence and other relevant ethical requirements relating to assurance engagements, and the ACT Audit Office applies Australian Auditing Standard ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements.*

I believe that sufficient and appropriate evidence was obtained to provide a basis for my conclusion.

Authority's responsibilities for the statement of performance

The Governing Board of the Authority is responsible for:

- preparing and fairly presenting the statement of performance in accordance with the *Financial Management Act 1996* and *Financial Management (Statement of Performance Scrutiny) Guidelines 2019*; and
- determining the internal controls necessary for the preparation and fair presentation of the statement of performance so that the results of accountability indicators and accompanying information are free from material misstatements, whether due to error or fraud.

Auditor-General's responsibilities

Under the *Financial Management Act 1996* and *Financial Management (Statement of Performance Scrutiny) Guidelines 2019*, the Auditor-General is responsible for issuing a limited assurance report on the statement of performance of the Authority.

My objective is to provide limited assurance on whether anything has come to my attention that indicates the results of the accountability indicators reported in the statement of performance are not in agreement with the Authority's records or do not fairly reflect, in all material respects, the performance of the Authority, in accordance with the *Financial Management Act 1996*.

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In a limited assurance engagement, I perform procedures such as making inquiries with representatives of the Authority, performing analytical review procedures and examining selected evidence supporting the results of accountability indicators. The procedures used depend on my judgement, including the assessment of the risks of material misstatement of the results reported for the accountability indicators.

Limitations on the scope

The procedures performed in a limited assurance engagement are less in extent than those required in a reasonable assurance engagement and consequently the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, I do not express a reasonable assurance opinion on the statement of performance.

This limited assurance engagement does not provide assurance on the:

- relevance or appropriateness of the accountability indicators reported in the statement of performance or the related performance targets;
- accuracy of explanations provided for variations between actual and targeted performance due to the often subjective nature of such explanations; or
- adequacy of controls implemented by the Authority.

Clea Lewis
Assistant Auditor-General, Financial Audits
21 September 2026

Cemeteries and Crematoria Authority
Statement of Performance
For the Year Ended 30 June 2026

Statement of Responsibility

In my opinion, the Statement of Performance is in agreement with the records of the Cemeteries and Crematoria Authority (the Authority) and fairly reflects the service performance of the Authority for the year ended 30 June 2026 and also fairly reflects the judgements exercised in preparing it.

Neale Guthrie
Chair of the Board
17 September 2026

Cemeteries and Crematoria Authority
Statement of Performance
For the Year Ended 30 June 2026

Key Performance Indicators

Accountability Indicators	2025-26 Targets	2025-26 Actual Result	% Variance from Original Target	Explanation of Material Variances > = 5%
a. Percentage of deaths in the ACT that inter human remains at an Authority Cemetery	35%	37%	6%	Development of additional ash interment options has increased market share.
b. Share of cremations performed in the ACT	33%	32%	4%	
c. Level of client and stakeholder satisfaction with Canberra Cemeteries	98%	94%	4%	-
d. Level of matters raised by unsatisfied clients and stakeholders resolved by Canberra Cemeteries operations	100%	100%	0%	-
e. Average number of years of supply of interment spaces for major denominational groups	3	3	0%	-

The Statement of Performance should be read in conjunction with the accompanying explanation of accountability indicators. The above accountability indicators were reviewed by the ACT Audit Office in accordance with the *Financial Management Act 1996*.

Explanation of Accountability Indicators

a) Death statistics are sourced from the Australian Bureau of Statistics 3302.0 - Deaths, Australia (latest available released 26/09/2025). This data reflects statistics to 31 December 2024. The number of clients choosing to do business with the Authority was 907. This is the actual numbers of burials and cremations for the year ending 30 June 2026. This represents 37% percent of the estimated number of deaths.

b) Death statistics are sourced from the Australian Bureau of Statistics 3302.0 - Deaths, Australia (latest available released 26/09/2025). Cremations conducted by Canberra Memorial Parks were 609 in 2025-26 representing 32% of total cremations (Total deaths less burials).

c) Client Satisfaction. The post burial survey is sent to families following each burial as part of a pack of other documents, on an opt-out basis. When completing an Application for Burial, the applicant is asked tick the box if they “do not wish to receive a post service survey”. Surveys are not sent to those who do not wish to take part. Surveys comprise six questions covering customer service, burial arrangements and cemetery presentation in a five-tier rating format. Only good and above are counted towards satisfaction result. This year 79 survey responses were received with 74 responses being neutral and above.

Cemeteries and Crematoria Authority
Statement of Performance
For the Year Ended 30 June 2026

Stakeholder Satisfaction. Is obtained by conducting a survey of funeral directors who regularly access services the Authority provides. The survey asks them to provide an overall assessment of the Authority's performance as a percentage. An average score is calculated from the responses. This year four funeral directors provided a response with all being neutral and above. There are six funeral directors who regularly access the services provided.

Client satisfaction and stakeholder satisfaction are averaged, the result for the reporting period was 95 percent.

d) Details are extracted from customer service database on matters raised by clients and other stakeholders which are used to manage and track the progress of action taken to remedy issues. This includes follow up with complainants where required. In 2025-26 all matters raised were resolved.

e) Number of years of supply of interment space is calculated using inventory data and other information, such as survey plans on future allotments, compared to the expected number of burials per denomination. The Authority's Board believes that the target number of years (3) provides adequate time for planning and installation of new areas as required. Falling below this target level increases the risk that there will be insufficient spaces in the future. This capacity is now based on available land for interment at Gungahlin (non-denominational) as both Woden and Hall are basically fully subscribed.

Contact

Chief Executive Officer

Cemeteries and Crematoria Authority t/a Canberra Memorial Parks

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