

18 May 2026

## **Essential Service Commission approves a one-year rate cap increase for Glen Eira**

The Essential Services Commission has approved Glen Eira's application to increase the rate cap for 2026–27.

This will see rates increase for 2026–27 by five per cent for Glen Eira residents.

The Victorian Government recently set a 2.75 per cent rate cap increase for 2026–27.

The additional 2.25 per cent will apply for one year, with future rate increases returning to the standard rate cap set by the Victorian Government.

The approved increase will support Council to maintain essential community services and infrastructure while responding to rising costs and ongoing financial pressures facing the local government sector.

This includes services and facilities relied on by the community every day, such as libraries, parks, community facilities and programs.

The increase responds to Glen Eira's recently adopted *Financial Sustainability Strategy* which set out a number of financial challenges Council is facing. In addition to the one-year rates increase, the *Strategy* focuses on balancing future budgets, strengthening reserves, managing debt responsibly, and continuing to invest in the essential services and infrastructure our community values most.

For the average-valued property, the overall five per cent rate increase represents around \$84 for the year (around \$7 per month).

In its decision, the ESC said Council had taken steps to manage its financial position by reprioritising expenditure, identifying savings and considering alternative funding options.

The ESC also found Council had implemented strategies and planning to operate efficiently, deliver value for money to ratepayers over time, and made 'reasonable and genuine efforts' to engage with the community.

"Taking a proactive approach to managing a financial need, when informed by community engagement and well-developed plans, policies and processes, is consistent with the statutory objectives of the framework. That is, to promote the long-term interests of ratepayers and community and ensure council has financial capacity to perform its functions."

Glen Eira Mayor Cr Dr Simone Zmood said Council carefully considered the application in light of current cost-of-living pressures affecting many households.

“We recognise many people in our community are under financial pressure, and this application was not made lightly,” Cr Zmood said.

“Like many councils across Victoria, we are facing rising costs, ageing infrastructure and increasing demand for services.

“We have already undertaken significant work to improve efficiency and reduce costs, including reviewing services, identifying operational savings and prioritising our capital works program.

“However, these measures alone are not enough to fully address the financial pressures we are facing while continuing to deliver the services and infrastructure our community relies on.”

The approved increase will now be incorporated into the finalisation of Council’s 2026–27 *Budget*.

“The draft *Budget* was prepared before the Essential Services Commission made its decision,” Cr Zmood said.

“The approved rate increase now provides greater certainty as we finalise the *Budget* and continue planning for the long-term financial sustainability of Council services and infrastructure.”

“Even with this adjustment, Glen Eira remains one of Melbourne’s lowest rating inner metropolitan councils.”

The final 2026–27 *Budget* will be considered by Council on 30 June following completion of the community consultation process.

Council will continue to explore efficiencies, external funding opportunities and ways to minimise impacts on the community wherever possible.

Residents who are experiencing difficulty paying their rates are encouraged to contact Council to discuss support options available under Council’s Rates Financial Hardship Policy.

More information about Council’s rate cap variation application and proposed 2026–27 *Budget* is available at [www.gleneira.vic.gov.au](http://www.gleneira.vic.gov.au) You can also review the ESC’s findings on our application at [www.esc.vic.gov.au](http://www.esc.vic.gov.au)

**ENDS**

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