Advice

Local Government Advice

Adelaide Plains Council

February 2023

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Glossary of terms

ABS	Australian Bureau of Statistics
AMP	Asset management plan (also called an IAMP)
Commission	Essential Services Commission, established under the *Essential Services Commission Act 2002*
CPI	Consumer Price Index (Adelaide, All Groups)
Council	Adelaide Plains Council
CWMS	Community Wastewater Management System
ESC Act	*Essential Services Commission Act 2002*
F&A	Local Government Advice: Framework and Approach – Final Report
FTE	Full Time Equivalent
IAMP	Infrastructure and asset management plan (also called an AMP)
LG Act	*Local Government Act 1999*
LGA SA Financial Indicators Paper	Local Government Association of South Australia, Financial Sustainability Information Paper 9 - Financial Indicators Revised May 2019
LGGC	Local Government Grants Commission
LGPI	Local Government Price Index
LTFP	Long-term financial plan
Regulations	*Local Government (Financial Management) Regulations 2011*
RBA	Reserve Bank of Australia
SACES	The South Australian Centre for Economic Studies
SEIFA	Socio-Economic Indexes for Areas
SMP	Strategic management plan
SG	Superannuation Guarantee
The scheme or advice	Local Government Advice Scheme

1 The Commission's key advice findings for the Adelaide Plains Council

The Essential Services Commission (**Commission**) finds the Adelaide Plains Council's (**Council's**) current financial position sustainable with a small operating surplus achieved historically and growing surpluses forecast. The Council's projected improvement to its financial performance is reliant on a period of service consolidation, at a minimum, and continued rate increases above inflation.

The Commission suggests the following steps to ensure that the Adelaide Plains Council annually reviews its long-term financial plan, manages its costs and growth profile efficiently, renews its asset base to meet sustainable service levels, and ultimately, constrains the extent of further rate increases:

Governance considerations

1. **Review** its long-term financial plan annually (including its 10-year projections and all relevant assumptions (including for inflation)) to better inform its decision-making and any relevant consultation processes.

Budgeting considerations

2. **Review** the rateable property growth forecasts in its budget projections each year to ensure that they remain current and do not create a need for additional rate increases to generate the same level of projected revenue.
3. **Report** its actual and projected cost savings in its annual budget, to provide evidence of constraining cost growth and achieving efficiency across its operations and service delivery.
4. **Improve** the transparency and consistency of borrowing assumptions in its long-term financial plan, particularly in the calculation of 'net lending/borrowing' as per the Uniform Presentation of Finances.

Refinements to asset management planning

5. **Consider** including bridges, and plant and equipment assets in new or existing asset management plans to support the prioritisation of renewal expenditure in its long-term financial plan.
6. **Review** the assumptions underpinning its asset management plans to ensure those plans incorporate a more accurate picture of required asset expenditure and better align with the allocations in its long-term financial plan as necessary, including the estimate for asset lives and valuations feeding into the forecast rates of asset consumption and depreciation expenses.

Containing rate levels

7. **Review** and consider limiting future increases above inflation on its average residential rates (for which average rate levels are high) to help reduce any emerging affordability risk in the community.
8. **Consult** directly with its community about future rate increases and service levels (for example through a community survey or discussion forum).

2 About the advice

The Essential Services Commission (**Commission**), South Australia's independent economic regulator and advisory body, has been given a role by the State Government to provide advice on material changes proposed by local councils in relation to elements of their strategic management plans (**SMPs**) and on the proposed revenue sources, including rates, which underpin those plans.[1]

One of the main purposes of the Local Government Advice Scheme (**advice** or **the scheme**) is to support councils to make 'financially sustainable' decisions relating to their annual business plans and budgets in the context of their long-term financial plans (**LTFPs**) and infrastructure and asset management plans (**IAMPs**)[2] – both required as part of a council's SMP.[3] Financial sustainability is considered to encompass intergenerational equity,[4] as well as program (service level) and rates stability in this context.[5] The other main purpose is for the Commission to consider ratepayer contributions in the context of revenue sources, outlined in the LTFP.[6] In addition, the Commission has discretion to provide advice on any other aspect of a council's LTFP or IAMP it considers appropriate, having regard to the circumstances of that council.[7]

The first cycle of the scheme extends over four years from 2022-23 to 2025-26, and the Commission has selected 15 councils for advice in the first scheme year (2022-23), including the Adelaide Plains Council (**Council**).

This report provides the Local Government Advice for the Adelaide Plains Council in 2022-23.

The Council is obliged under the *Local Government Act 1999* (**LG Act**) to publish this advice and its response, if applicable, in its 2023-24 Annual Business Plan (including any draft Annual Business Plan) and subsequent plans until the next cycle of the scheme.[8] It does not need to publish the attachment to the advice (these will be available with the advice on the Commission's website[9]), nor is it compelled under the LG Act to follow the advice. The Commission thanks the Adelaide Plains Council for providing relevant information to assist the Commission in preparing this advice.

2.1 Summary of advice

Historically, the Adelaide Plains Council's community has had strong rateable property growth accompanied by strong infrastructure growth and increasing contributions from ratepayers and government grants. In general, the Commission finds the Council's current financial position sustainable, on balance, with a small operating surplus achieved historically and growing surpluses forecast. However, there are some significant risks to the income and expense forecasts.

The Adelaide Plains Council cost base is expected to rise rapidly in the short term, driven by further growth projections, with the Council anticipating an average of 150 new properties each year to

1 Amendments to the *Local Government Act 1999* (s122(1c) to (1k) and (9)) specify the responsibilities for the Commission and local councils for the Local Government Scheme Advice. The Commission must provide advice to each council in accordance with the matters outlined in s122(1e), (1f) and (1g).
2 Commonly referred to as asset management plans.
3 The objectives of the advice with reference to a council's LTFP and IAMPs are presented under LG Act, s122(1g). LG Act s122(1) specifies the requirements of a council's SMP, including the LTFP and IAMPs.
4 'Intergenerational equity' relates to fairly sharing services and the revenue generated to fund the services between current and future ratepayers.
5 Commission, *Framework and Approach – Final Report*, August 2022, pp. 2-3, available at www.escosa.sa.gov.au/advice/advice-to-local-government.
6 LG Act s122(1f)(a) and (1g)(a)(ii).
7 LG Act s122(1f)(b) and (1g)(b).
8 LG Act s122(1h).
9 The Commission must publish its advice under LG Act s122(1i)(a).

2031-32. This cost growth will become embedded into the underlying cost base of the Council. In addition, the Council has factored this growth into its additional rate revenue estimates. Therefore, the future sustainability of the Council is strongly linked to its expectations regarding the further development of the community.

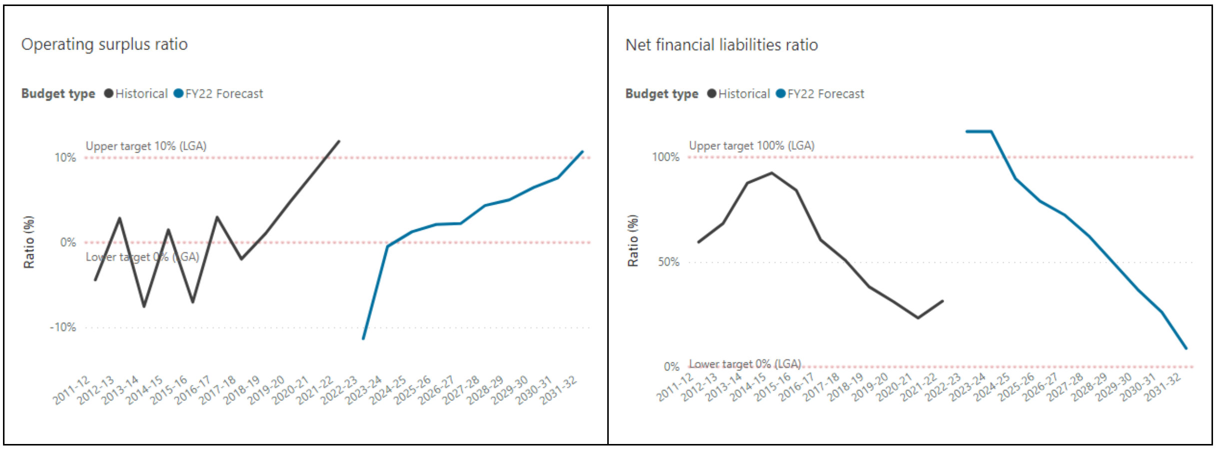
In the short term (to 2023-24), the Adelaide Plains Council is estimating that its capital expenditure will significantly increase with annual operating deficits accordingly. The Council's longer-term projections from 2024-25, comprise a decline in capital expenditure from these levels and an improving financial sustainability outlook, because operating revenue growth outpaces expense growth, with:

- continued rate increases on the community, above the rate of forecast inflation
- lower longer-term average cost growth than it has experienced over the past 10 years, and
- a moderate level of new borrowings of $4.5 million in the 2022-23 adopted budget.

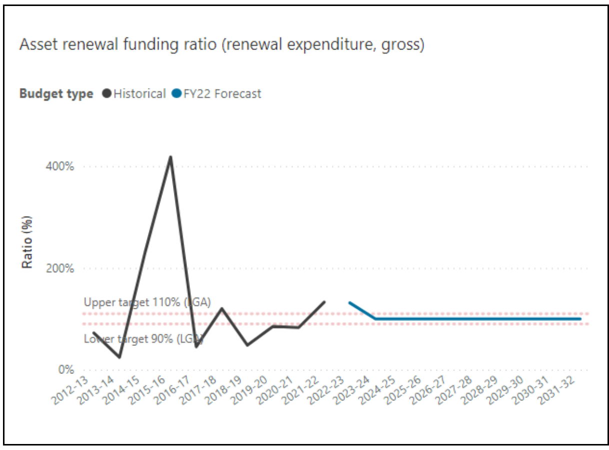
The Commission considers that there may be opportunities to achieve greater savings and efficiencies in the Council's recurrent budget and encourages it to review and report on this. This includes a review of the asset-related assumptions feeding into its estimated depreciation expenses. In general, a focus on managing its growth-related assumptions and consulting with its community about rate contributions and service levels, should help the Council to identify and act upon opportunities to reduce affordability risk to the community.

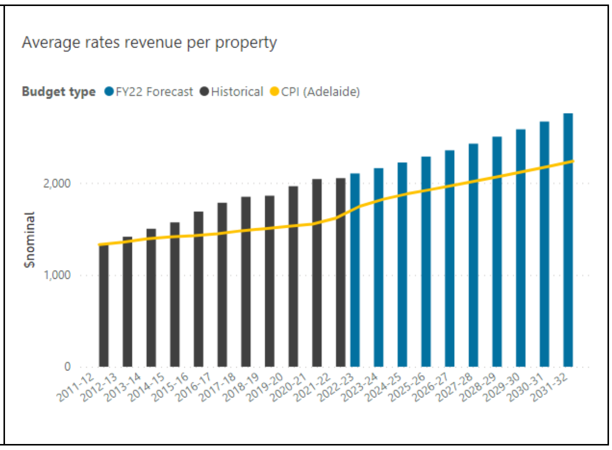
The charts below of the Adelaide Plains Council's past and projected operating surplus ratio, net financial liabilities ratio, asset renewal funding ratio, and average rate revenue per property, together support these findings.

The 'heat map' diagram over the page summarises the Commission's findings with reference to whether the Council has met the suggested Local Government Association (**LGA**) target ranges for the three main financial sustainability indicators[10] and the level of cost control and affordability risk identified for the Council over time.



[10] The suggested LGA target range for the ratios are discussed in more detail in the attachment.





Summary of the Adelaide Plains Council's financial sustainability performance and the Commission's risk assessment

Financial sustainability indicators:	Last 10 years from 2011-12 (Actual performance)	2021-22 estimate	Next 10 years from 2022-23 (Council forecasts)
Operating surplus ratio (target 0-10%)	Operating deficits ——> Improved performance ——>		Operating deficits Surpluses projected from 2024-25 ——>
Net financial liabilities ratio (target 0-100%)	Ratio met historically ——>		Exceeds target Ratio projected within target from 2024-25 ——>
Asset renewal funding ratio (target 90-110%)	Volatility in renewal works spending & some years below target range ——> Ratio below target range	Higher renewal works spending in 2021-22 and 2022-23 and ratio within target range for remaining projections ——>	
Identified Risks:			
Cost control risk	Operating expenses per property average growth 3.1% p.a. to 2021-22 (CPI 2.0%) ——>		Budget pressures (2022-23) On average, operating expenses growth in line with forecast CPI ——>
Affordability risk	High rates revenue per property average growth of 4.4% p.a. to 2021-22 (CPI 2.0%) ——>		Projected rate revenue per property average growth above forecast CPI (CPI 2.8%) ——>

- Red: Ratio outside suggested LGA target range or higher risk
- Amber: Ratio close to suggested LGA target range or medium risk
- Green: Ratio within suggested LGA target range or lower risk

2.2 Detailed advice findings

The next sections summarise the Commission's more detailed observations and advice findings regarding the Adelaide Plains Council's material changes to its 2022-23 plans, its financial sustainability (in the context of its long-term operating performance, net financial liabilities, and asset renewals expenditure) and its current and projected rate levels.

In providing this advice, the Commission has followed the approach it previously explained in the Framework and Approach – Final Report (F&A). The attachment explores these matters further.[11]

[11] The attachment will be available on the Commission's website with the Advice.

2.2.1 Advice on material plan amendments in 2022-23

The Adelaide Plains Council has not proposed any amendments to the forward projections in its 2022-23 LTFP, nor is there an updated 2021-22 LTFP to use as a basis of comparison. The Council's Audit Committee considered updating the previous LTFP at its meeting on 12 April 2021, however the Council choose to defer this until various strategic documents were updated and initiatives costed, such as the IAMPs and Tourism and Economic Development Strategy.[12]

As such, the Commission provides commentary on the most recent material changes (identified by the Commission) arising from the 2022-23 budget,[13] as follows:

- Reduction in 'project operating expenses' by $1.0 million due to the deferral of some projects to 2023-24, for example the Two Wells Main Street – Underground Powerlines, and the Relocation of the Two Wells Waste Transfer Station.[14]
- Reduction in total capital expenditure by 9.5 percent to $8.1 million. The changes in the budget reflect an increase in asset renewals expenditure of $0.4 million to $4.6 million; offset by a decrease in new asset expenditure of $1.3 million, to $3.5 million.
- Reduction in new borrowings to $4.5 million, compared to $10.3 million proposed in the LTFP.

The Commission also notes significant cost increases in the 2022-23 budget (compared to the 2021-22 unaudited estimates) for 'employee' expenses and 'materials, contracts and other' expenses, by 18.1 percent and 24.0 percent, respectively.

The Council states this is to strengthen its internal capacity to respond to significant increases in economic development opportunities and residential growth within the district. The Commission notes that the Council experienced growth of 4.9 percent in rateable property numbers in 2021-22 (with 254 more properties), following 1.2 percent average annual growth in the preceding 9 years.[15] Further, the Council noted how it has been accumulating significant new assets which must be managed, including $5 million per annum in donated assets over the last three years.[16]

Additionally, as there was a period where the Council's LTFP was not updated, it is not clear whether the community understands the potential implications of the LTFP, the importance of the Adelaide Plains Council's forecasts of rateable property growth and economic activity in supporting the outcomes of LTFP, or the risks to ratepayers and the Council if these forecasts do not occur. An annual review of the LTFP should cover the Council's assumptions concerning growth as well as inflation and other relevant factors.

Therefore, the Commission would encourage the Council to:

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[12] Adelaide Plains Council, *Ordinary Council Meeting Agenda – 27 April 2021*, *Item 14.1 Draft 2021/2022 Annual Business Plan and Budget for Public Consultation*, p. 76, available at https://www.apc.sa.gov.au/__data/assets/pdf_file/0024/883014/Agenda-Ordinary-Council-Meeting-27-April-2021.pdf.

[13] Adopted by the Council in July 2022. The Commission has taken this approach as the Council's prior LTFP (the pre-2022-23 LTFP) was not updated since the 2018-19 LTFP was adopted on 9 July 2018.

[14] Adelaide Plains Council, *2022/2023 Annual Business Plan and Budget*, July 2022, p. 73, available at https://www.apc.sa.gov.au/__data/assets/pdf_file/0021/931611/2022-2023-Annual-Business-Plan-and-Budget.pdf.

[15] Based on the compound average annual growth rate formula (which is the adopted approach to calculating average annual growth rates throughout the Commission's advice).

[16] Adelaide Plains Council, *2022/2023 Annual Business Plan and Budget*, July 2022, p. 9.

1. **Review** its long-term financial plan annually (including its 10-year projections and all relevant assumptions (including for inflation)) to better inform its decision-making and any relevant consultation processes.

2.2.2 Advice on financial sustainability

Operating performance

The Adelaide Plains Council has run a mix of operating surpluses and operating deficits[17] historically but the average from 2011-12 to 2020-21 is a small surplus of 0.1 percent. Growth in the average expenses per property has been 3.1 percent per annum over this period, higher than average Consumer Price Index (**CPI**) growth (of 1.7 percent per annum),[18] and led by growth of 5.8 percent per annum, on average, in 'materials, contracts and other' expenses.

In the last four years, the operating surplus ratio has averaged 6.9 percent per annum.[19] The ratio is not forecast to meet the suggested LGA target range (with a surplus) until 2024-25 (when it will be 1.5 percent), and then it progressively trends towards the upper level of the suggested LGA target range by 2031-32 (then reaching 10.7 percent).[20]

Looking forward to 2031-32, following the step change in costs in 2022-23, the Council has estimated a reduction in the rate of growth in operating expenses (to average 2.5 percent per annum, which is lower than the Reserve Bank of Australia (**RBA**)-based forecast inflation of 2.8 percent[21]). In combination with higher rate increases (which are discussed more in section 2.2.3 below), the Council's operating performance gradually improves, resulting in a positive operating surplus ratio from 2024-25. In future years, this might provide an opportunity for the Council to restrict further rate increases to reduce the extent of the surpluses forecast.

Average operating expenses per rateable property are projected to be stable in nominal terms, therefore declining in real terms by the amount of inflation. At the same time, average operating income per property is forecast to increase by 2.5 percent (nominally), still below the impact of forecast inflation. These projections indicate the importance of the forecast growth in rateable properties in minimising the impact of rising costs on households. The reduced costs and revenue per property in real terms is reliant on the Council's assumed average growth of 2.4 percent per annum (to 2031-32) in rateable properties, which is notably higher than historical growth of 1.5 percent per annum (10 years to 2021-22).

If this forecast growth does not occur, the operating expenses per rateable property will rise, if the Council cannot reverse the increases in costs in the short-term (if contracts are locked in), and this could place further pressure on rate levels. Also, the Commission notes the LTFP was last updated 12 months ago (in February 2022) and the economic environment facing the Adelaide Plains Council

[17] This means the Council's operating expenses (including depreciation) have exceeded operating income (including rates and other revenue sources but excluding capital grants, subsidies, and contributions).

[18] CPI (All groups). Average annual growth in the LGPI published by the South Australian Centre for Economic Studies was similar (at 1.9 percent), available at https://www.adelaide.edu.au/saces/economic-and-social-indicators/local-government-price-index.

[19] The operating surplus ratio is defined as: Operating Surplus (Deficit) ÷ Total Operating Income. The general target is to achieve, on average over time, an operating surplus ratio of between zero and 10 percent (Local Government Association of South Australia, *Financial Sustainability Information Paper 9 - Financial Indicators Revised*, May 2019 (**LGA SA Financial Indicators Paper**), p. 6).

[20] Adelaide Plains Council, *2023-2032 Long Term Financial Plan*, February 2022, p. 20, available at https://www.apc.sa.gov.au/__data/assets/pdf_file/0029/1113995/Long-Term-Financial-Plan-2023-2032.pdf.

[21] The forecast average annual growth in the CPI from 2022-23 to 2031-32 is estimated to be 2.8 percent based on the RBA forecasts for the CPI (Australia-wide) to June 2025 (and the Commission's calculations of average annual percentage growth) and the midpoint of the RBA's target range (2.5 percent) from 2025-26.

may have become less favourable since then. This further emphasises the value of the Council being flexible and responsive in managing its growth-related costs. Therefore, the Commission has found that it would be appropriate for the Council to:

2. **Review** the rateable property growth forecasts in its budget projections each year to ensure that they remain current and do not create a need for additional rate increases to generate the same level of projected revenue.
3. **Report** its actual and projected cost savings in its annual budget, to provide evidence of constraining cost growth and achieving efficiency across its operations and service delivery.

Net financial liabilities

The Adelaide Plains Council has consistently used borrowing and other financing options to supplement any annual shortfall of funds, and over time, this has been within the suggested LGA target range for the net financial liabilities ratio.[22] The Council's net debt has historically averaged $4.5 million annually, or 72.6 percent of its net financial liabilities. On 30 June 2022, net debt was $2.6 million, or 53.5 percent of net financial liabilities.

In its 2022-23 LTFP, the Council is projecting to initially increase borrowings, in part to fund its relatively large capital expenditure programme in 2022-23. The projections show that the ratio will decrease from a peak of 112.2 percent (exceeding the suggested LGA target) in 2022-23 to 8.9 percent to 2031-32. The reduction is projected to come from a progressive repayment of borrowings financed via higher operating income.

As noted in section 2.2.1 (above) the Council's 2022-23 budget materially reduces its borrowing requirements to $4.5 million (compared to $10.3 million in the LTFP). This appears to be related to cash flow inconsistencies identified in the Council's Uniform Presentation of Finances (included in the LTFP).

To address this, the Commission has found it would be appropriate for the Council to:

4. **Improve** the transparency and consistency of borrowing assumptions in its long-term financial plan, particularly in the calculation of 'net lending/borrowing' as per the Uniform Presentation of Finances.

Asset renewals expenditure

In 2021-22, the Adelaide Plains Council spent more on new and upgraded assets than on the renewal and rehabilitation of its existing stock. Between 2011-12 and 2020-21, its spending on new or upgraded assets averaged $1.9 million per annum, compared with $1.7 million on the renewal of its asset base.

Historically, the Adelaide Plains Council's expenditure on asset renewals has been highly volatile but on average, higher than the level recommended by its AMPs. Between 2011-12 and 2020-21, the average asset renewal funding ratio (IAMP-based) was 125 percent which is above the suggested LGA target range of 90 percent to 110 percent.[23]

[22] The net financial liabilities ratio is defined as: Net financial liabilities ÷ Total operating income. This ratio measures the extent to which a council's total operating income covers, or otherwise, its net financial liabilities. The suggested LGA target range is between zero and 100 percent of total operating income, but possibly higher in some circumstances (LGA SA Financial Indicators Paper, pp. 7-8).

[23] The IAMP-based method is the current industry standard whereby asset renewal/replacement expenditure is divided by the recommended expenditure in the IAMP (or AMP). Ideally, this will show the extent to which a council's renewal or replacement expenditure matches the need for this expenditure, as recommended by the plan. The suggested LGA target range for the ratio is 90 to 110 percent (LGA SA Financial Indicators Paper, p. 9).

In 2021-22 and 2022-23, the ratio is estimated to be high (around 130 percent) before returning to 100 percent consistently from 2023-24 (with asset renewal expenditure then projected to align with the AMP-recommended expenditure). The Council's spending on renewal assets is projected to average $2.9 million per annum to 2031-32 (in nominal terms).

In the short term, one of the reasons the Council is spending more on the renewal of its assets, is that expenditure has been added to the LTFP that is outside of the AMPs. For example, the Council has advised that AMPs have not been prepared for bridge assets ($1 million renewal in LTFP; 80 percent being grant funded), and plant and fleet assets ($0.7 million renewals in LTFP). For this reason, the Commission would encourage the Council to:

5. Consider including bridges, and plant and equipment assets in new or existing asset management plans to support the prioritisation of renewal expenditure in its long-term financial plan.

Even with the projected spending on asset renewals aligned with its AMP requirements from 2023-24, the Council's depreciation expenses, which represent the rate of asset consumption, are projected to continue to exceed its renewal spending. Renewal spending is forecast to account for 82 percent of depreciation expenses on average to 2031-32.[24] One area that might be leading to higher depreciation expense forecasts, relative to annual asset renewal expenditure needs, is the Council's recent accumulation of new assets. Another risk that arises when depreciation expenses exceed spending on asset renewals is that the asset lives are assumed to be shorter (in the depreciation calculation) than occurs in practice. The implication of projecting higher than necessary depreciation expenses is that higher operating income (and potentially higher rates revenue) is required to generate an operating surplus for the Council.

Therefore, it would be appropriate for the Council to:

6. Review the assumptions underpinning its asset management plans to ensure those plans incorporate a more accurate picture of required asset expenditure and better align with the allocations in its long-term financial plan as necessary, including the estimate for asset lives and valuations feeding into the forecast rates of asset consumption and depreciation expenses.

Further, the Council is budgeting for higher capital expenditure on new or upgraded works that is larger than the $3.8 million per annum average over the last 10 years. Practically and logistically, this maybe challenging to achieve.

2.2.3 Advice on current and projected rate levels

The Adelaide Plains Council has a history of high rate rises with average annual growth of 4.4 percent in rate revenue per property between 2011-12 and 2021-22. As a result, its residential rates are relatively high.[25] The Council implemented a 6.2 percent increase to its rates in 2022-23, higher than previously consulted upon (3.25 percent).[26] And the 2022-23 LTFP forecasts an average increase of $655 to

[24] The Council's asset renewal funding ratio by the depreciation-based method (where asset renewal/replacement expenditure is divided by depreciation expenses) is forecast to average 87 percent to 2031-32. This ratio shows the extent to which capital expenditure on the renewal and replacement of assets matches the estimated rate at which these assets are used or consumed.

[25] Refer to Councils in Focus rates data for 2019-20 available at https://councilsinfocus.sa.gov.au/councils/adelaide_plains_council. The Commission is not relying on these rate comparisons for its advice; the data source provides just one indicator, among many, which has informed its advice on the appropriateness of the rate levels.

[26] Adelaide Plains Council, *2022/2023 Annual Business Plan and Budget*, July 2022, p. 49.

existing rates by 2031-32 (to $2,758), which represents an increase of approximately $200 above the Council's assumed inflation growth.[27]

Residential ratepayers (contributing approximately 57 percent of general rates revenue) are estimated to pay an average increase of 5.5 percent. Lower increases were levied on primary production ratepayers (4.0 percent), which account for approximately 34 percent of general rates revenue.

The Council has forecast average rate revenue per property growth of 3.1 percent to 2031-32, which is higher than RBA-based average forecast inflation growth (2.8 percent). Given that the Council has assumed high growth in rateable properties over this period, the total rates revenue growth will be higher – averaging 5.6 percent per annum. As stated, this revenue estimate relies on growth of 150 properties per annum being achieved.

Affordability risk for the increases currently appears moderate. The Commission notes that the Adelaide Plains Council area has a high Socio-Economic Indexes for Areas (**SEIFA**) ranking with relativity strong access to economic resources and higher capacity to pay for higher rate levels than some other areas.[28] However, the current economic environment is putting more pressure on most communities' capacity to pay for further rate increases, including Adelaide Plains. Further, it is not evident that the Council has tested the support for the rate increases through community consultation (for example, with a survey or discussion forum about rate increases and service levels). Given that residential rates are already comparatively high in the Council area,[29] the Commission considers that it would be appropriate for the Adelaide Plains Council to:

7. **Review** and consider limiting future increases above inflation on its average residential rates (for which average rate levels are high) to help reduce affordability risk in the community.
8. **Consult** directly with its community about future rate increases and service levels (for example, through a community survey or discussion forum).

2.3 The Commission's next advice and focus areas

In the next cycle of the Scheme, the Commission will review and report upon the Adelaide Plains Council's:

- ongoing performance against its LTFP estimates (including review of growth assumptions)
- progress in improving the accuracy and consistency in its LTFP, and alignment of capital expenditure estimates included in its plans.
- actions to address any misalignment between the capital expenditure and depreciation estimates in its LTFP and various AMPs, and
- how it has sought to reduce any affordability risks.

27 The Council's projected CPI inflation is 2.25 percent plus an allowance of 0.25 percent to fund new assets/programs (Adelaide Plains Council, *2022-23 to 2031-32 Long Term Financial Plan*, February 2022, p. 6). This is different to the CPI line in charts throughout this Advice which are based on RBA forecasts and then, a return to long run averages from 2025-26 (with growth of 2.5 percent per annum).

28 The Adelaide Plains Council area is ranked 65 among 71 South Australian '*local government areas*' (including Anangu Pitjantjatjara and Maralinga Tjarutja Aboriginal community areas and 'unincorporated SA') on the Australian Bureau of Statistics Socio-Economic Indexes for Areas Index of Economic Resources (2016), where a lower ranking (eg, 1) denotes relatively lower access to economic resources in general, compared with other areas, available at https://www.abs.gov.au/ausstats/subscriber.nsf/log?openagent&2033055001%20-%20lga%20indexes.xls&2033.0.55.001&Data%20Cubes&5604C75C214CD3D0CA25825D000F91AE&0&2016&27.03.2018&Latest.

29 See footnote 25.

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