









OVERVIEW

The Essential Services Commission finds the District Council of Grant's current and projected financial performance **sustainable**, taking into account the Council's future performance outcomes are reliant on the moderate forecast in expense growth, and the planned increases in average rates income per property of 3.4% p.a. over the next 10 years

RISKS IMPACTING SUSTAINABILITY

-  Out of date asset management plans
-  Revaluation of assets are old or out of date
-  If cost growth levels exceed forecast and CPI levels

CONTINUE

-  Reviewing the inflation forecasts and other relevant macroeconomic assumptions in the budget and forward projections each year
-  Improving the transparency of changes to the key planning assumptions in the long-term financial plan and annual business plans
-  Consulting with the community on the annual business plan, with a focus on understanding the community's preferences on service levels
-  Reviewing the extent of cash reserves in the context of rates
-  Providing more funding to the renewal of assets, rather than prioritising initiatives which involve new or upgraded infrastructure

COMMISSION'S RECOMMENDATIONS

- Report any actual cost savings in the annual budget and long-term financial plan
- Consider the intended uses of the accumulated funds
- Consider a more consistent approach to asset revaluations to ensure the forecast rate of asset consumption (and depreciation expense) in the long-term financial plan reflects recent macroeconomic conditions
- Consider adopting a more robust and regular asset management planning process

KEY FACTS

- Population in 2021 was **8,636**
- Council covers **1,904 square kilometres**
- **5,528** rateable properties in 2022-23
- **\$11.7 million of rate income** in 2022-23
- Value of assets held in 2022-23 equals **\$163.8 million**

