Advice

Local Government Advice - Attachment

City of Mitcham

February 2024

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A The Commission's approach

In providing the Advice for the City of Mitcham (**Council**), the Essential Services Commission (**Commission**) has followed the approach it previously explained in the Framework and Approach – Final Report (**F&A**).[1]

The Commission has considered the Council's strategic management plan (**SMP**) documents (set out in the box below), with a particular focus on its performance and outlook against three financial indicators: the operating surplus ratio, the net financial liabilities ratio and the asset renewal funding ratio.[2] Analysis of these three indicators captures financial and service sustainability, in addition to cost control and affordability risk.[3]

- 2023-24 Annual Business Plan, Budget, and Long-Term Financial Plan (adopted July 2023)
- Buildings Asset Management Plan, including Summary (adopted April 2021)
- Stormwater Asset Management Plan, including Summary (adopted April 2021)
- Transport Asset Management Plan, including Summary (adopted April 2021)
- Open Space Asset Management Plan, including Summary (adopted April 2021)
- Four Year Delivery Plan 2020/21 – 2023/24 (endorsed October 2020), updated 2023
- Mitcham 2030 Plan (endorsed March 2020)

The Commission notes that most of the Council's infrastructure asset base is covered by its existing asset management plans (**AMPs**), and the asset valuations for those assets have been carried out between 1 July 2017 (for buildings and other structures) and 1-Jul-20 (for infrastructure assets).[4]

Given that the Commission must, in providing advice, have regard to the objective of councils maintaining and implementing their infrastructure and asset management plans (**IAMPs**) (usually termed AMPs), and long-term financial plans (**LTFP**s),[5] it has also considered the Council's performance in that context. Findings regarding the content of the Council's AMPs, and the alignment between its LTFP and AMPs,[6] are discussed in section C.3.

The Commission has also reviewed the Council's template data which contains its 2023-24 LTFP forecasts for 2023-24 to 2032-33, 2022-23 LTFP forecasts, historical financial data, the number of rateable properties and staff (Full Time Equivalent (**FTE**)) numbers from 2012-13 onwards.[7] [8] All charts

1 Commission, *Framework and Approach – Final Report*, August 2022, available at www.escosa.sa.gov.au/advice/advice-to-local-government.
2 The indicators are specified in the *Local Government (Financial Management) Regulations 2011*. Since 2011, each council has been required to refer to these three indicators in its plans, annual budget, mid-year budget review and annual financial statements. The councils can adopt their own target range for each ratio, but the Commission has adopted the previously suggested Local Government Association (**LGA**) target ranges as a basis for its analysis, which were established and agreed during the development of the LGA Financial Sustainability Papers (2006-2011).
3 The F&A listed 29 analytical questions that the Commission has answered in assessing the Council's performance against these indicators to determine affordability, cost control and other sustainability risks.
4 City of Mitcham, *General Purpose Financial Statements for the year ended 30 June 2022* (included in its 2021-22 Annual Report), Note 7(a)(i) Infrastructure, Property, Plant and Equipment, pp.99-100. The Commission notes that the Council's recently published 2022-23 Financial Statements states that buildings and other structures were last valued on 1 July 2020.
5 *Local Government Act 1999* (**LG Act**) s122(1g)(a)(i).
6 As required under s122(1b) of the LG Act.
7 Sourced from the Local Government Grants Commission (including data reported by the Office of the Valuer-General) and the Council's data.
8 The Council's estimates for the 2022-23 financial year, relied on at the time of preparing this advice, were unaudited.

and tables in the Advice are primarily sourced from these datasets. In addition, the Commission has reviewed the Council audit committee reports, and other public information, as appropriate.

The Commission has reported estimates in nominal terms, for consistency with the Council's plans and actual rate levels, but it has compared estimated inflation impacts to these trends as a guide to identify 'real' rather than 'inflationary' effects. In the charts, the Consumer Price Index (CPI) line shows the cumulative growth in the CPI (Adelaide) series from 2012-13, and then projections of this series from 2023-24 based on the Reserve Bank of Australia (RBA) (Australia-wide) inflation forecasts (to the December quarter 2025), and the midpoint of the RBA target range (2.5 percent) thereafter.

Finally, in formulating this Advice, the Commission has had regard to all discussions and engagement with the Council, including the face-to-face onsite meeting at the Council offices, and the individual circumstances of the Council, consisting of:

- its location as a metropolitan Council,
- its income level ($78.3 million), and
- the size of its rates base (more than 29,300 ratepayers[9]).

Summary of the City of Mitcham's financial sustainability performance and the Commission's risk assessment

Financial sustainability indicators:	Last 10 years from 2012-13 (Actual performance)			2022-23 estimate	Next 10 years from 2023-24 (Council forecasts)
Operating surplus ratio (target 0-10%)	Volatility in ratio	Ratio within target range ——————>			Surpluses projected from 2023-24 ——>
Net financial liabilities ratio (target 0-100%)	Ratio met historically ——————————————>				Ratio projected within target from 2023-24 ——————————————>
Asset renewal funding ratio (target 90-110%)	Ratio is below the suggested target range	Significant volatility in ratio	Ratio is below the suggested target range		Higher renewal works spending from 2023-24 & ratio within target range for remaining projections ——————>
Identified Risks:					
Cost control risk	Operating expenses per property average growth of 3.6% pa to 2022-23 (CPI 2.6%) ——————>				Operating expenses per property average growth of 2.4% is marginally lower than forecast CPI (CPI 2.6%) ——>
Affordability risk	High rates revenue per property average growth of 3.7% pa to 2021-22 (CPI 2.0%) ——————————>			Ave. increase of 4.2%	Projected rate revenue per property average growth of 3.0% above forecast CPI (CPI 2.6%) ——————————>

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

9 Based on the estimated number of property assessments in 2023-24.

B Material plan amendments in 2023-24

The Council has made various amendments to its 2023-24 budget and forward projections, partly for inflation and partly for other revenue and spending initiatives. The material amendments to some of its main financial forecasts are listed in the table below (in nominal terms).[10] To ensure a comparable analysis of estimates between the 2022-23 and 2023-24 LTFPs, the Commission has reviewed the nine overlapping years' statistics, 2023-24 to 2031-32, and identified material amendments accordingly.

Selected Financial Item	Sum of 2023-24 to 2031-32 estimates in 2022-23 LTFP ($ million)	Sum of 2023-24 to 2031-32 estimates in 2023-24 LTFP ($ million)	Change in 2023-24 estimates ($ million)	Change in 2023-24 estimates (percent)
Total operating income	740.3	794.3	54.0	7.3
Total operating expenses	721.1	775.0	53.9	7.5
Capital expenditure on renewal of assets[11]	162.1	191.3	29.2	18
Capital expenditure on new and upgraded assets[12]	34.9	49.5	14.6	42

B.1 Changes to operating performance

The Council has forecast (in its 2023-24 LTFP) an increase in its operating income, with an increase of $54 million (or 7.3 percent) across the nine-year comparative period to 2031-32 compared to the 2022-23 LTFP (as shown in the table above). This reflects the Council's efforts to recover (or offset) the comparable increase in forecast operating expenses driven by increases in depreciation (by 14.3 percent), finance costs (by 12.4 percent), and 'employee costs' (by 6.5 percent). These operating cost increases reflect the recent changes in the macroeconomic environment particularly around higher than anticipated indexation changes (also impacting on depreciation), and higher cost of borrowings.

Over the next two years (2023-24 to 2024-25), the Council is forecasting significantly lower operating surpluses (of $0.9 million and $0.6 million, respectively) than it has achieved in the past 10 years. While this may present more conservative budgets (in terms of lower operating surpluses), it is noted a higher operating cost base is also emerging in the Council's budgets. The Commission observes the Council has in place good budgeting practices particularly in demonstrating the average rates impact associated with the cost of services, including any savings measures proposed, for example its 2023-24 budget the Council assesses the impact of:[13]

- the costs to maintain existing service delivery (7.83 percent rates increase),
- additional ongoing savings measures proposed (0.59 percent rates reduction), and
- previous service decisions of Council and new increased service delivery (1.24 percent rates increase).

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10 This table shows only selected financial items to demonstrate the material amendments made by the Council in its 2023-24 estimates. It excludes various financial items and individual items do not sum to totals.

11 The capital expenditure estimates are based on the 2023-24 LTFP provided by the Council to the Commission (in an Excel template).

12 Footnote 10 applies.

13 City of Mitcham, *Special Full Council Meeting, Notice and Agenda – 27 June 2023, Item 7.1 Preparation of the Draft 2023/23 Long Term Financial Plan and the Draft 2023/2024 Annual Business Plan,* p.161 available at https://mitcham.civicclerk.com.au/web/Player.aspx?id=842&key=-1&mod=-1&mk=-1&nov=0.

The Council's historical and projected operating performance is discussed further in section C.1.

From an operating income perspective, the key changes across the nine-year comparative period to 2031-32 includes:

- 7.0 percent (or $46.0 million) increase in rates revenue,
- 10.3 percent (or $2.0 million) increase in statutory charges, and
- 9.0 percent (or $4.3 million) increase in 'grants, subsidies and contributions'.

The Council advises that the majority of its operating income increases are driven by changes in consumer and local government inflation during the past 12 months (discussed below), but some also arise from the Council's funding of ongoing costs associated with new projects and initiatives.[14] The increase in 'grants, subsidies and contributions' also reflects the additional funding allocated for phase four of the local Roads and Community infrastructure grants.[15]

The Council has further advised of additional material impacts to its 2023-24 operating performance (as part of its first budget review in October 2023).[16] These consist of the early payment of the Financial Assistance Grant for 2023-24, $2.7 million of which was received in June 2023; a reduction in its underlying operating position[17] by $0.3 million, primarily due an increase in recurrent operating costs; and (net) one-off operating cost updates related to prior Council decisions or one-off new budget requests (approximately $0.3 million).

B.2 Indexation adjustments

The Council applies a range of indexation assumptions based on its assessment of CPI and the Local Government Price Index (**LGPI**) which results in adjustments to its cost and revenue estimates. The change in CPI provides the Council with a reference indicator against which it assesses rate increases, with final budgeted rate increases reflecting its assessment of the cost recovery for existing services, for new projects and initiatives, and the application of budget savings measures.[18]

The Council has assumed CPI inflation increases of 7.9 percent in 2023-24, 3.5 percent in 2024-25, and approximately 2.3 to 2.5 percent annually from 2025-26 across the forecast period to 2032-33.[19] This is materially higher than the Council's previous forecasts where it had assumed CPI ranging between 3.6 percent to 2.6 percent annually (over the same period).[20] In general, the Council's CPI assumptions appears consistent with actual CPI indexation and with the RBA's forecasts at the time its budgets were developed.[21]

Based on updated inflation assumptions in its 2023-24 LTFP, an increase in its cost and revenue estimates by up to 7 percent over the 2023-24 to 2031-32 forecast period,[22] compared with the same estimates in its 2022-23 LTFP, could in part be driven by higher inflation forecasts but also accounts for any additional revenue and operating costs associated with its increased service delivery (since not all

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14 Based on the Council's explanation of material amendments made to its LTFP, provided to the Commission (in an Excel template).

15 City of Mitcham, *2023-24 Annual Business Plan, Budget and Long-Term Financial Plan*, July 2023, p.27.

16 City of Mitcham, *Full Council Meeting, Agenda – 10 October 2023, Item 10.1 First Review of Budget for 2023/2024,* available at https://mitcham.civicclerk.com.au/web/Player.aspx?id=12&key=-1&mod=-1&mk=-1&nov=0.

17 The Council's underlying operating position reflects its operating result excluding non-cash gains / losses from equity accounted subsidiaries and other one-off items.

18 Referred to in the Council's 2023-24 LTFP principles. City of Mitcham, *2023-24 Annual Business Plan, Budget and Long-Term Financial Plan*, July 2023, p.23.

19 City of Mitcham, *2023-24 Annual Business Plan, Budget and Long-Term Financial Plan*, July 2023, p.29.

20 City of Mitcham, *2022-23 Annual Business Plan, Budget and Long-Term Financial Plan*, July 2022, p.29.

21 In May 2023 the RBA previously forecast CPI (Australia-wide) to increase by 6.3 percent in the year to the June 2023 quarter, by 3.6 percent in the year to June 2024, and by 3.0 percent in the year to June 2025. RBA, Forecast Table – May 2023, available at https://www.rba.gov.au/publications/smp/2023/may/forecasts.html. Actual CPI Adelaide (All groups) increased by 7.9 percent in the year to March 2023 quarter and was the basis of the Council's budgeted rate increase in 2023-24, available at https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/consumer-price-index-australia/sep-quarter-2023.

22 The set of nine years forecast in both the 2022-23 and 2023-24 LTFP projections.

changes can be attributed to the change in the Council's indexation assumptions). The Council applies the LGPI index (the recurrent series estimates) to 'materials, contracts and other' expenses and applies the LGPI index (the capital series estimates) to capital expenditure, depreciation, and asset revaluation forecasts. These indexation estimates have also increased materially for the 2023-24 forecast period compared to the same estimates in its 2022-23 LTFP.

The Commission notes that while the Council is anticipating price increases in construction, contracts, and electricity, it is committed to funding the cost of existing service provision through increases in rate revenue at or below CPI increases by identifying cost savings and efficiency measures.[23] Given the need for the Council to secure savings and reduce any inflationary impact on its community, the Commission considers it would be appropriate for it to:

1. Continue to review its inflation forecasts and other relevant macroeconomic assumptions in its budgets and forward projections each year.

B.3 Increase to capital expenditure estimates

The Council's 2023-24 LTFP indicates an increase in capital expenditure for asset renewals (by $29.2 million or 18 percent), and for new and upgraded assets (by $14.6 million or 42 percent), compared to the previous year's LTFP (for the period from 2023-24 to 2031-32). Over the 10-year projections in the 2023-24 LTFP, the Council has factored in a total of $215.3 million in capital renewal and replacement works and $51.3 million in new and upgraded capital works, accounting for 80.8 percent and 19.2 percent of the total capital expenditure program, respectively.

The Council has advised that the material amendments in its capital expenditure program are driven by:

- $5.8 million in asset renewals being re-budgeted from 2022-23 to 2023-24,
- $12.9 million in new capital expenditure re-budgeted from 2022-23 to 2023-24, and
- Increase in LGPI (using the capital series) increasing the forecast spend on renewals.

The Council's transport assets (mainly road assets) represent the largest asset class and is a major focus of its renewal investment in 2023-24. The renewal budget also incorporates a portion of roads asset renewal backlog in which the Council is seeking to accelerate and address this by 2027.[24] The Council's capital expenditure outlook is discussed further in section C.3.

[23] The RBA currently forecasts the CPI (Australia-wide) to increase by 3.9 percent in the year to the June 2024 quarter and by 3.3 percent in the year to June 2025. Thereafter, it is reasonable to anticipate a return to long-run averages (and growth of 2.5 percent per annum from 2025-26, based on the midpoint of the RBA's 2 to 3 percent target range). RBA, Forecast Table - August 2023, available at https://www.rba.gov.au/publications/smp/2023/nov/forecasts.html.

[24] City of Mitcham, *2023-24 Annual Business Plan, Budget and Long-Term Financial Plan*, July 2023, p.6.

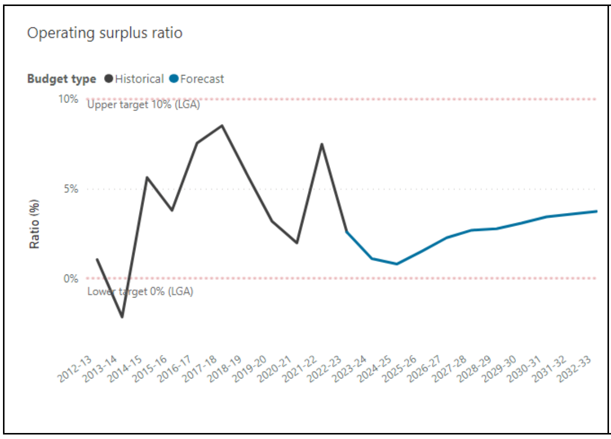
C Financial Sustainability

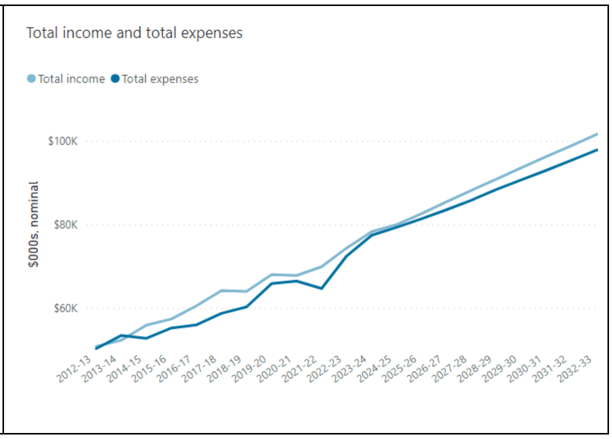
C.1 Operating performance

The Council has predominantly run operating surpluses from 2012-13 to 2021-22, and in 2022-23 it achieved an operating surplus of $1.9 million. Its operating surplus ratio[25] is forecast to remain positive from 2023-24 (then 1.1 percent) and progressively increase to 3.7 percent in 2032-33 (see the left chart below).

The broad reason for the Council's historical operating surpluses is that operating income growth averaged 3.6 percent per annum from 2012-13 to 2021-22, while the rate of operating expense growth averaged 2.8 percent per annum. As a result, the Council has been able to sustain its operating surpluses over the last 10 years and has only experienced an operating deficit in 2013-14.

The short-term decline to its projected operating surplus ratio (while still within the suggested LGA target range) is attributed to material increases in operating expenditure in 2022-23 (with significant year-on-year increases reported in 'finance charges', 'material, contracts and other' expenses, and 'employee costs' of 38 percent, 18 percent, and 9 percent, respectively).[26] The Council is forecasting to continue budgeting for higher operating costs which will continue to temper its operating surpluses over the short-term (see the right chart below).





Rates revenue has increased on average by 3.8 percent per annum from 2012-13 to 2021-22[27] (when growth in the number of rateable properties was negligible averaging 0.05 percent and CPI growth averaged 2.0 percent). Over the same period 'user charges' (accounting for one percent of total operating income) increased by an average of 6.2 percent per annum, and 'grants, subsidies and contributions' (accounting for 10 percent of total operating income) increased by an average of 4.1 percent per annum.

Grants income has been 'lumpy' from year to year,[28] and the three-year average of $213 per ratepayer in 2022-23 compares with the three-year average of $150 in 2014-15, which reflects an increase in value in real terms (or 5.2 percent increase per annum in nominal terms).

Historically, the Council's operating expense growth (from 2012-13 to 2021-22) was primarily due to an average annual increase of 3.3 percent in 'employee' expenses and 2.7 percent in 'materials, contracts

25 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).

26 Included in the Council's Financial Reporting template provided to the Commission.

27 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).

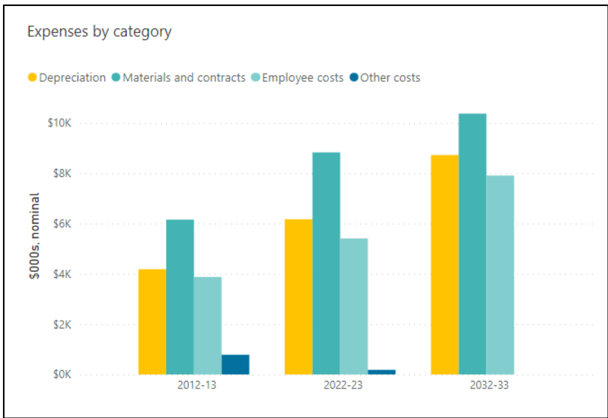
28 Due to the timing of different grants and sometimes advance grant payments (as for the 2023-24 grant allocation, which was received and accounted for in 2022-23).

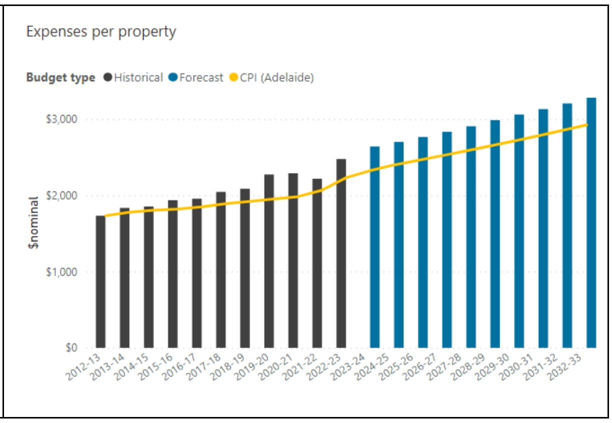
and other' expenses[29] (see the changes by expense type in specific time periods in the left chart below). As previously mentioned, material increases in the Council's operating expenses were incurred in 2022-23, largely attributable to the macroeconomic environment resulting in increased contract, materials and utility prices.

Looking forward, the Council is projecting average annual rates revenue growth of 3.2 percent to 2032-33, which is above the forecast long-term inflation rate,[30] and represents a real increase rates revenue, driven by Council's revenue recovery for the cost of new services, the asset renewal backlog and prior Council decisions.[31] Rates are discussed in more detail in section D.

Lower forecast average expense growth of 2.6 percent (from 2023-24 to 2032-33) is in-line with the RBA-based forecast inflation growth[32] and represents a change from the Council's historical performance (with average annual growth of 3.7 percent in the 10 years to 2022-23). This includes the operating cost increases reported in 2022-23.

Expenses per property (a metric which accounts for growth) are expected to increase by an average of 2.4 percent per annum (from 2023-24 to 2032-33), which is generally consistent with current inflation projections; however, the Council is forecast to have a much higher cost base over the short-term (see the right chart below).





The Council's template data shows that employee numbers are assumed constant at current budgeted levels (of 260 FTEs), and some of its smaller operating income and expense lines indicate negligible change in real terms or long-term growth below current inflation forecasts.[33] However, when considering the Council's recent unaudited financial results (for 2022-23) together with its short-term budget forecasts (from 2023-24 to 2024-25), the Commission is seeing material cost pressures emerging over a cumulative 3-year period, notably:

- 19 percent cumulative increase in 'employee costs' to 2024-25 (accounting for 38.9 percent of total operating expenses),
- 14 percent cumulative increase in 'materials, contracts and other expenses' (accounting for 34.4 percent of total operating expenses), and
- 97 percent cumulative increase in finance costs to \$1.9m (accounting for 2.4 percent of total operating expenses).

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29 This is despite the increase in the solid waste levy over the past 10 years which has impacted councils' waste management costs.

30 The forecast average annual growth in the CPI from 2023-24 to 2032-33 is estimated to be 2.6 percent based on the RBA forecasts for the CPI (Australia-wide) to December 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.

31 City of Mitcham, *2023-24 Annual Business Plan, Budget and Long-Term Financial Plan*, July 2023, p.29.

32 Footnote 23 applies.

33 Based on the Council's Excel template provided to the Commission. Historical average is based on the 10-year period from 2012-13 to 2021-22; and forecast average is based on the 10-year period from 2023-24 to 2032-33.

While some of these increases are broadly consistent with recent trends (and forecasts) in CPI, some of the Council's costs have been a driver of its historical rate increases above CPI and can be attributed to its recovery of the cost of new service expansion and improvement projects (particularly those that have not been fully funded through grants). For example, extending and upgrading the stormwater network, an additional open space volunteer coordinator, upgrading oval facilities at Mortlock Park and Colonel Light Gardens, as well as other one-off costs.[34]

The Commission has observed the current good practice of the Council in conducting regular service level reviews of its operations (in consultation with its community) and its focus on maintaining the rate revenue recovery for existing services at or below CPI, in part by identifying ongoing efficiencies and cost saving measures.[35] As an example, the Council has factored into its 2023-24 budget recurrent savings of $863,000 per annum (comprising approximately $510,000 per annum in efficiency savings, and $353,000 per annum in service level adjustments identified during the 2023-24 budget formulation process), which represents a rate decrease of approximately 1.42 percent in 2023-24.[36]

Since 2012, the Council has reported that it achieved $7.4 million in cumulative savings to 2022-23 and, overall, this reflects some containment in cost growth. This is a positive commitment; however, notwithstanding these savings measures, the Commission's analysis shows that, over the last 10 years, the Council has reported growth in operating costs above CPI,[37] and that the overall savings measures have not generally resulted in rate increases in line with CPI. The additional savings being proposed in 2023-24 represents 1.4 percent of adjusted total operating costs,[38] and appear modest notwithstanding the Council's recent history of spending growth and its further exposure to inflationary pressures over the short-term (as noted above).

As part of the Council's continuing reviews of service levels and operating efficiencies, it may now need to find additional productivity improvements or reduce new services or initiatives in order to minimise any inflationary impact on its community (for example, without the need for further rate increases above inflation or a reduction in existing service levels). Therefore, the Commission has found that it would be appropriate for it to:

2. **Continue** to monitor cost growth in its budgeting, where possible, including related to expenditure (such as for new services and initiatives) which contribute to increases in rate revenue recovery above CPI.

3. **Continue** its good practice of reporting any actual and projected cost savings in its annual budget and long-term financial plan, to provide evidence of constraining cost growth and achieving efficiency across its operations and service delivery.

It is noted that the Council uses a suite of financial management ratios in addition to the suggested LGA financial indicators, which provides it with a framework to further manage its operating performance and financial risk. For example, the Council has devised an Operating Result Ratio which provides it with an understanding of its underlying operating position[39] expressed as a percentage of rates income (the Council's main source of controlled income). Its policy target of 1 to 4 percent appears more conservative than the LGA mandated Operating Surplus Ratio, and generally the Commission would

34 City of Mitcham, *2023-24 Annual Business Plan, Budget and Long-Term Financial Plan*, July 2023, p.6.
35 City of Mitcham, *2023-24 Annual Business Plan, Budget and Long-Term Financial Plan*, July 2023, p.34.
36 City of Mitcham, *Special Full Council Meeting, Notice and Agenda – 27 June 2023, Item 7.1 Preparation of the Draft 2023/23 Long Term Financial Plan and the Draft 2023/2024 Annual Business Plan*, p. 177, available at https://mitcham.civicclerk.com.au/web/Player.aspx?id=842&key=-1&mod=-1&mk=-1&nov=0.
37 Over the period from 2012-13 to 2022-23 the Council's total operating costs (excluding depreciation) increased by 4.0 percent per annum.
38 The Commission's estimate of the impact of additional savings in 2023-24 is based on the proportion of 2023-24 budgeted savings targeted (of $0.863 million) compared to adjusted (or grossed-up) total operating expenses budgeted in 2023-24, excluding non-cash losses from subsidiaries and depreciation ($59.676 million).
39 The Council's underlying operating position reflects its operating result excluding non-cash gains / losses from equity accounted subsidiaries and other one-off items. City of Mitcham, *2023-24 Annual Business Plan, Budget and Long-Term Financial Plan*, July 2023, p.39.

encourage the Council to continue its focus on such prudent budgeting practices.[40] Further the Commission considers that the use of alternative or specific financial reporting measures and targets (within the broader LGA financial management framework) such as those used by the Council (and relevant to its circumstances), would improve the Local Government sector's accountability and effectiveness in its decision making.

C.2 Net financial liabilities

Despite the Council's frequent operating surpluses over the last 10 years, its net cash flows after operating and investing (that is, capital-related) activities have averaged negative $1.1 million annually between 2012-13 and 2021-22.[41] These are the cash flows generally available for debt repayments (and are after interest payments) and are different to the chart over the page, which shows cash held by the Council at the end of each year, including financing activities, which has averaged $9.3 million per annum.

The Council has predominantly used borrowings from the Local Government Finance Authority of South Australia (LGFA) to finance new and upgraded assets, consistent with its commitment to ensuring financial sustainability and intergenerational equity.[42] In its 2023-24 LTFP, the Council is forecasting an increase in borrowings as part of its investment in strategic projects including the construction of Tiwu Kumangka, the infrastructure backlog, and Brown Hill and Keswick Creek flood mitigation.[43] In 2023-24, the Council is budgeting additional borrowings of $12.5 million as well as a 'principal' repayment of loans totalling $2.6 million.[44]

The Council's net financial liabilities ratio has trended between 6.2 and 29.7 percent between 2012-13 and 2021-22 (see the bottom left chart over the page). This is within the suggested LGA target range for the indicator of between zero and 100 percent (averaging 15.4 percent over this period), and is at a level which demonstrates that the Council is only accumulating liabilities that its operating income can reasonably service (see the top right chart below).[45]

The Council has estimated that the ratio will peak at 63.7 percent in 2023-24 (with additional net borrowings projected of $10.0 million) representing a 47 percent increase on its unaudited 2022-23 borrowings of $21.4 million (see the bottom right chart below). Over the remaining period of the LTFP, the Council is forecasting net borrowing repayments totalling $9.6 million, and the net financial liabilities ratio declines to 41.8 percent in 2032-33 (when borrowings will total $30.7 million).

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40 City of Mitcham, *2023-24 Annual Business Plan, Budget and Long-Term Financial Plan*, July 2023, p.37. Also see City of Mitcham, *Treasury Management Policy*, 14 February 2023, available at https://www.mitchamcouncil.sa.gov.au/__data/assets/pdf_file/0030/89850/Treasury-Management-Policy.pdf.

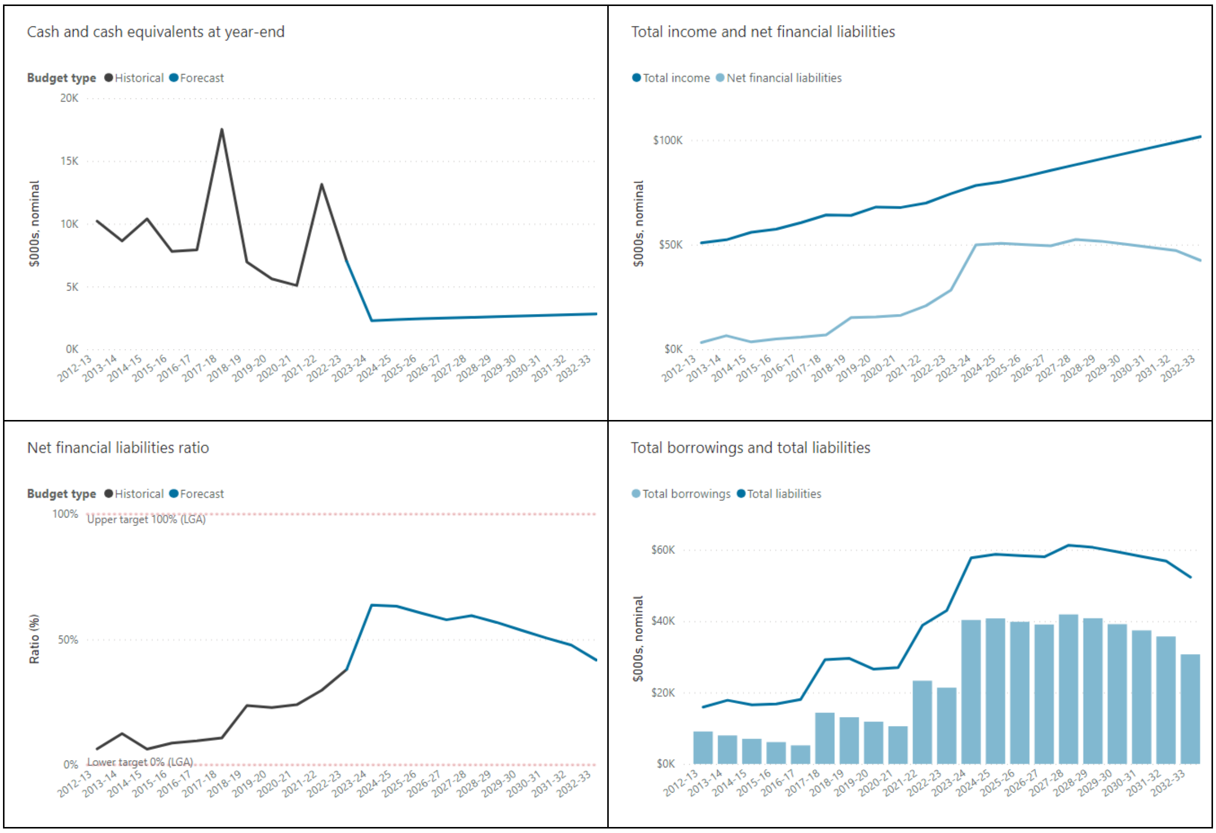
41 This figure provides a general indication on whether the Council has a capacity to repay borrowings or has an emerging cash flow sustainability issue. A negative or relatively small figure should to be viewed in the context of the Council's revenue base and existing cash balances and it may be able to service cash flow deficits for a long period of time.

42 City of Mitcham, *2023-24 Annual Business Plan, Budget and Long-Term Financial Plan*, July 2023, p.32.

43 City of Mitcham, *2023-24 Annual Business Plan, Budget and Long-Term Financial Plan*, July 2023, p.34.

44 Based on the Council's Excel template provided to the Commission.

45 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).



The Council's adjusted net financial liabilities ratio (its own financial measure) is similar to the respective LGA financial indicator, though focuses on rates income (instead of total operating income), and total drawn and undrawn debt facilities (instead of total outstanding debt). The Council has an upper policy limit of 60 percent to 80 percent (80 percent for strategic projects): a more conservative measure than the suggested LGA financial indicator. The Council forecasts in its 2023-24 LTFP that this ratio will peak at 76 percent in 2023-24 and then progressively reduce to 49 percent in 2032-33. The interest cover ratio measures the serviceability of the Council's net interest expense (as a percentage of rates income) and remains comfortably within its upper policy limit of 6 percent.

The Commission observes that the Council has a focus on managing intergenerational equity[46] for its current and future ratepayers (through its financial risk measures, among other things). This is a positive commitment; however, given the Council's proposed increases in borrowings (in 2023-24) and further interest rate exposure, it may be appropriate for it to expand its financial risk measures to include, for example, a debt service coverage ratio which can more appropriately measure the Council's total debt obligations (both principal and interest payments) and assist it to manage intergenerational equity. Finally, it may be appropriate for the Council to revisit its capital expenditure program for new and upgraded assets with a focus on reducing any medium to longer term financial risk, but more importantly, to seek to reduce future rate increases on the community.

46 'Intergenerational equity' relates to fairly sharing of services and the revenue generated to fund the services between current and future ratepayers.

C.3 Asset renewals expenditure

The Council generally underperformed on its asset renewal funding ratio[47] between 2012-13 and 2021-22 and, overall, achieved an average of 85 percent over this period,[48] albeit with significant volatility in the period between 2017-18 and 2019-20 (see the top charts over the page). This suggests that the Council has generally underspent on the renewal and rehabilitation needs of its asset stock over this period; however discussions with the Council indicate that the ratio has been affected by:

- re-budgeted capital works that were not completed in the previous financial year, but also newly introduced asset renewal works resulting from grant opportunities (i.e., brought forward capital), and
- The Council's focus on current asset condition assessments and renewal needs (which may not have been reflected in its AMPs).

Further the Council has noted, in its long-term financial plans, that an asset renewals backlog was identified in 2011-12 (indicated by actual asset renewal expenditure being lower than required under the AMPs), and this deficiency is being systematically addressed alongside its new and replacement asset program.[49] The Council's spending on the renewal and rehabilitation of assets averaged $16.4 million each year (over the period from 2012-13 to 2021-22).

From 2023-24 to 2032-33, the ratio is forecast to average 96 percent,[50] reflecting the additional expenditure to address the asset renewal backlog in 2023-24, with the Council focusing on the road capital renewal backlog while postponing the footpath backlog for one year.[51] Average annual spending on renewal or rehabilitation of assets is projected to increase to $21.5 million (in nominal terms).

The Council has grown its asset base over the past 10 years[52] reflecting total capital expenditure averaging $19.3 million per annum (including $2.9 million per annum on new or upgraded assets) and depreciation averaging $13.3 million per annum (see the bottom right chart over the page). This has led to an average increase in the value of asset stock per property of $396 or 2.0 percent for each year over the 10 years to 2021-22 (see the bottom left chart over the page). By implication this indicates the Council's asset stock has been generally maintained in real terms (or the increase is consistent with historical inflation).[53]

Over the forecast period (from 2023-24 to 2032-33) the value of asset stock per property is estimated to grow by 3.6 percent per annum, in part driven by higher capital expenditure forecasts and the Council's assessment of asset revaluations.[54] This increase also reflects the Council's infrastructure and service expansion with higher forecast investment in new and upgraded assets, particularly in the budget year (2023-24) consisting of projects with government funding ($14.7 million), buildings and land projects ($2.3 million) and stormwater and drainage projects, including Brownhill and Keswick Creek projects ($2.3 million).[55]

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47 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).

48 The quoted averages for the ratio are based on 'net asset renewal expenditure' (after the sale of replaced assets) rather than 'gross asset renewal expenditure'.

49 City of Mitcham, *2023-24 Annual Business Plan, Budget and Long-Term Financial Plan*, July 2023, p.15.

50 Based on the Council's Excel template provided to the Commission.

51 City of Mitcham, *2023-24 Annual Business Plan, Budget and Long-Term Financial Plan*, July 2023, p.15.

52 The Council's asset base refers to the value of 'Infrastructure, Property, Plant and Equipment' reported in its historical audited or unaudited financial statements and forecast in its LTFP.

53 The value of Council land is included in this calculation which represents 34 percent of the total value of 'Infrastructure, Property, Plant and Equipment' as of 30 June 2022. City of Mitcham, *General Purpose Financial Statements for the year ended 30 June 2022* (included in its 2021-22 Annual Report), Note 7(a)(i) Infrastructure, Property, Plant and Equipment, p.97.

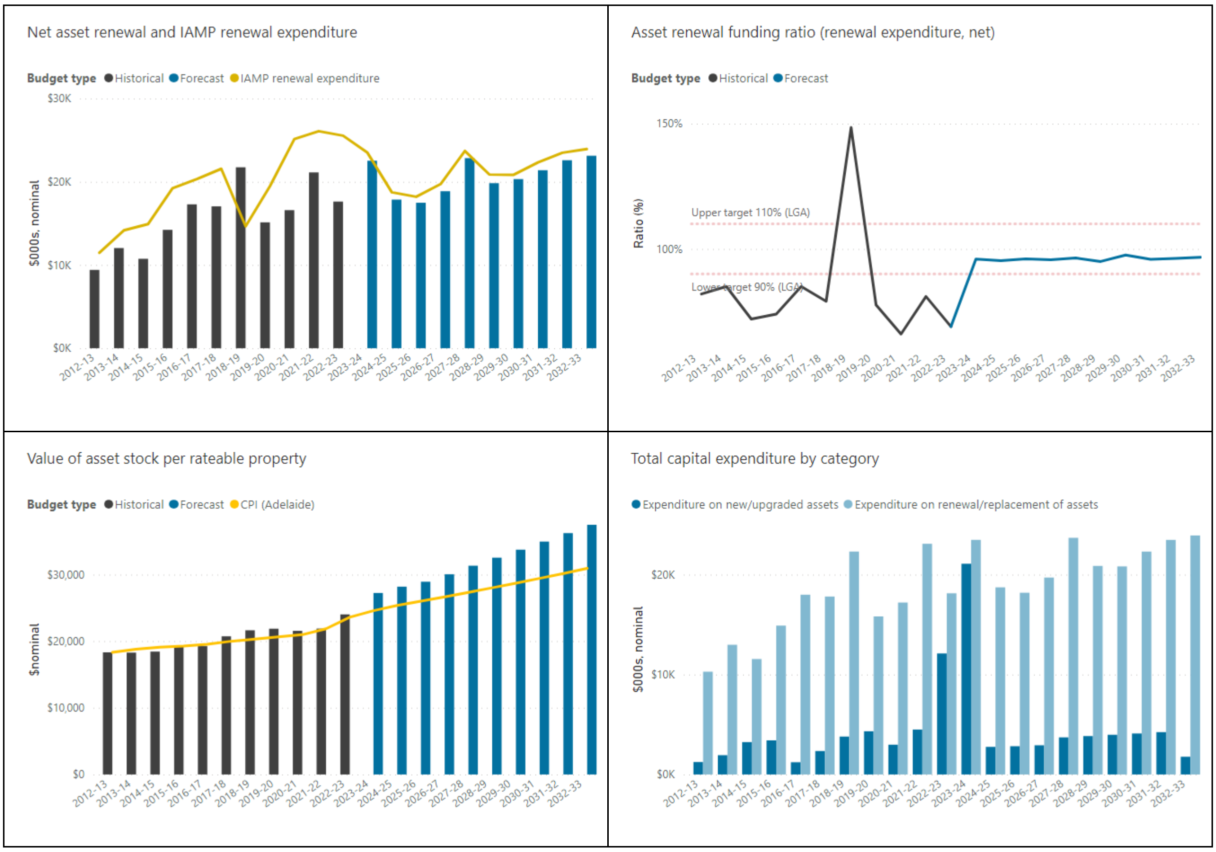
54 Based on discussions with the Council and further information provided to the Commission.

55 City of Mitcham, *2023-24 Annual Business Plan, Budget and Long-Term Financial Plan*, July 2023, p.15.

The Council regularly consults with its community on proposed expenditure proposals and appears to have appropriately linked its budgets to an overarching strategic management plan (called Mitcham 2030), and its Four-Year Delivery Plan.[56] It also recognises that investment in new or upgraded assets will incur ongoing costs, such as interest, maintenance, and depreciation, and is a factor which increases Council's average rates above CPI.

Against this background, the Commission considers that the Council could be better placed (from a financial and asset sustainability perspective) if it were more focused on accelerating expenditure on its identified asset renewal backlog, rather than increasing investment in new and upgraded assets which the Council acknowledges contributes to higher increases in rates for its community. For this reason, the Commission considers that it would be appropriate for it to:

4. **Adhere** to the principles underpinning its long-term financial plan projections to continue to fund the renewal of its assets (including the backlog of renewals), and to limit future expenditure on new or upgraded infrastructure as required, in consultation with its community about desired service levels and rate contributions.



Asset renewals can also be evaluated by the depreciation-based asset renewal funding ratio,[57] which is projected to broadly track in line with the recommended minimum level (for the IAMP-based ratio) of 90 percent, averaging 94 percent per annum to 2032-33 (see charts over the page).

56 Available at https://www.mitchamcouncil.sa.gov.au/our-future/strategic-management-plan.

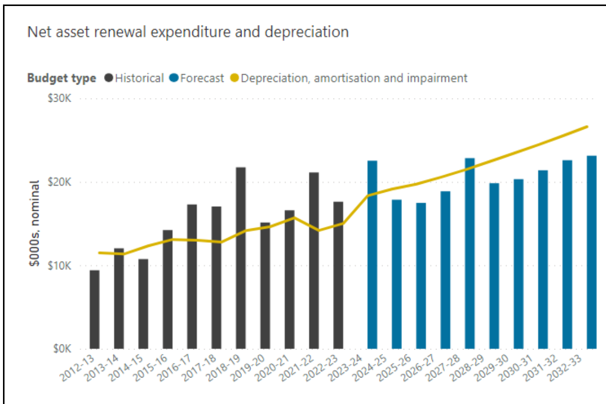
57 The Council's asset renewal funding ratio by the depreciation-based method (where asset renewal/replacement expenditure is divided by depreciation expenses). This ratio shows the extent to which capital expenditure on the renewal and replacement of assets matches the estimated rate at which these assets are used or consumed. Prior to 2013, the calculation of the ratio in the sector was based on the 'depreciation method' and was known as the asset sustainability ratio until 2018.

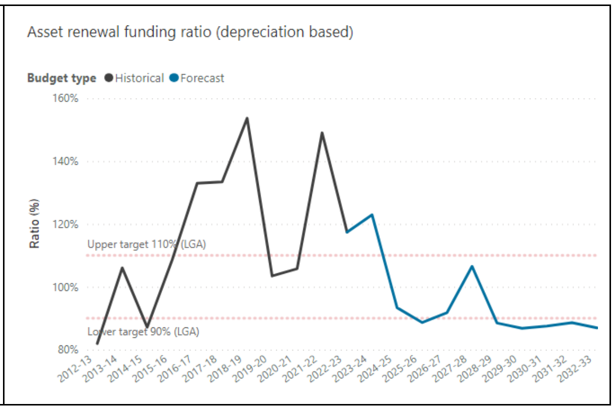
Historically (since 2015-16 to 2022-23) renewal capital expenditure has outpaced depreciation by a significant margin (totalling $34.8 million over this period),[58] potentially indicating the depreciation charge is too low. In discussions with the Council in November 2023, it provided some general reasons for the difference between depreciation (i.e., the rate of asset consumption) and asset renewal expenditure, such as:

- The asset renewal backlog has been systematically addressed in recent years (through a higher level of renewal spend) and is on track to be fully resolved by 2027-28. Conversely, as a result of this backlog, some assets had reached the end of their useful lives and are no longer depreciating.[59]
- Federal and State grants have also contributed to the acceleration of additional projects, pulling them forward from future years.
- An infrastructure revaluation for 2023-24 (higher than the asset indexation applied in its LTFP) is expected by the Council to further elevate depreciation expenses due to industry-wide price increases.

The Commission's initial view of historical trends (in the absence of a detailed assessment) is that asset lives are assumed to be longer (in the depreciation calculation) than occurs in practice or that the Council has been renewing its assets at a faster pace than indicated by the rate of asset consumption. Overall, in this regard, there appears to be lower sustainability risk, as the Council has stated it has considered or factored in some of these matters in its budgets. There also appears to be a reversal of this trend in the LTFP, with depreciation being higher than renewal expenditure, in part reflecting the asset revaluation approach of the Council. It could also suggest the LTFP renewal expenditure is potentially too low going forward. Against this background, and in accordance with the Council's planned reviews, it would be appropriate for it to:

5. **Continue** to review the estimates of asset lives (and valuations) informing its forecast rate of asset consumption (and depreciation expenses) and asset renewal needs in its long-term financial plan and asset management plans.





The Council currently has individual AMPs for buildings, transport, stormwater and open space assets. These cover most of the Council's asset base (excluding land assets) and reflects asset valuations that

58 It is noted that the Council has been able to adequately fund its renewal expenditure requirements (including some of the asset renewal backlog previously identified in 2011-12) from its cash flows from operations, that is without drawing down on borrowings or existing cash balances.

59 The Commission notes that if assets are still in use they should continue to be depreciated after first being revalued.

have been carried out between 1 July 2017 (for buildings and other structures) and 1 July 2020 (for infrastructure assets).[60]

In formulating its AMPs, the Council has considered a number of matters such as customer levels of service, utilisation and demand of its assets, life cycle management, and risk management planning. These matters (among others) have informed the Council's planned operating and maintenance budgets, and asset renewal needs over the period to 2030.

The Council's planned renewal expenditure (in 2023-24) is mainly attributed to transport assets (covering sealed roads, unsealed roads, kerbs, and footpaths), and accounts for approximately 55 percent of the total renewals budget.[61] Aside from transport works, the Council has planned renewals for plant and equipment (inc. fleet), stormwater and drainage, buildings and land, and bridges assets (together approximately 28 percent of the renewals budget in 2023-24).

The Commission's review of the AMPs has found that, on balance, the Council's strategic planning processes aligns with good practice for a council of its size and complexity. Based on discussions with the Council, its AMPs are reviewed internally on an annual basis (and considers condition assessments, among other things) and are formally updated every four years. The Council is also preparing the review its AMPs,[62] consistent with the requirements of the LG Act, which requires councils to undertake a comprehensive review of their strategic management plans (including asset management plans) within two years after each general election of the Council.[63]

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60 City of Mitcham, *General Purpose Financial Statements for the year ended 30 June 2022* (included in its 2021-22 Annual Report), Note 7(a)(i) Infrastructure, Property, Plant and Equipment, pp.99-100. The Commission notes that the Council's recently published 2022-23 Financial Statements states that buildings and other structures were last valued on 1 July 2020.

61 City of Mitcham, *2023-24 Annual Business Plan, Budget and Long-Term Financial Plan*, July 2023, p.15.

62 City of Mitcham, *Information Session – Asset Management Plans 2024*, October 2023, available at https://www.mitchamcouncil.sa.gov.au/__data/assets/pdf_file/0025/1493170/Asset-Management-Plans-2024.pdf.

63 LG Act s122(4)(a) and (b). General elections were last held for SA Councils on 11 November 2022.

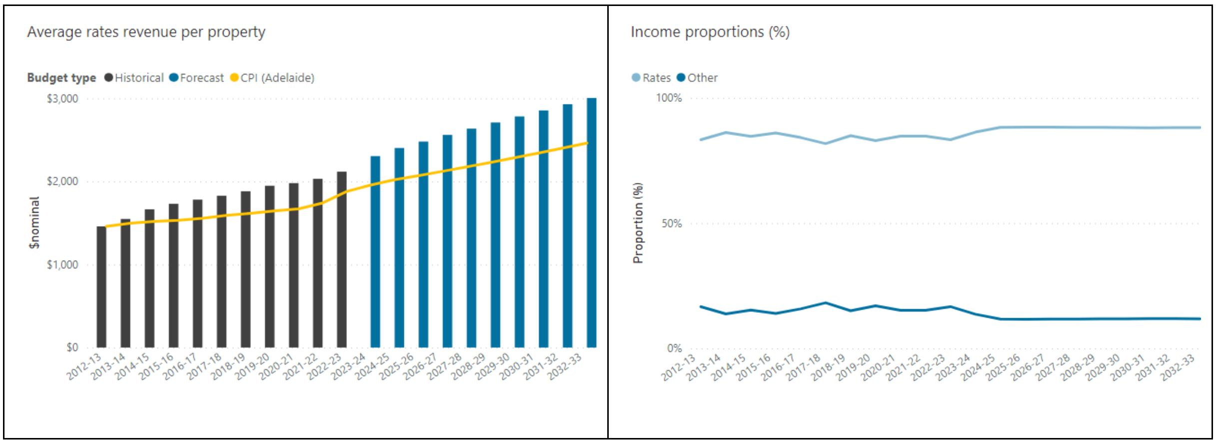
D Current and projected rate levels

D.1 Historical rates growth

The Council's rate revenue per property growth has averaged 3.7 percent or $64 per annum for each property over the past 10 years,[64] to reach an estimated $2,031 per property in 2021-22 (see the left chart below). This has exceeded CPI growth of an average of 2.0 percent per annum over this period, and encompasses negligible growth in rateable property numbers in the Council's region.[65] Current rate levels partially reflect its recent history of spending growth, predominantly on capital expenditure (both asset renewals, and new and upgraded assets), and growth in operating expenses.[66] Based on discussions with the Council, it has indicated that one of its key budget objectives is to keep the rate increase required for delivering existing services, at existing service levels, at or below CPI.[67]

The Council remains reliant on its rate base for its operating sustainability, for the renewal and replacement of assets, and for increases in service levels and the provision of new services to the community. As the chart below indicates (to the right), rates revenue is forecast to account for 88 percent of budgeted operating income in the period beyond 2023-24, and this is broadly consistent with its 10-year historical average (between 2012-13 and 2021-22) of 84 percent.

The Commission notes that the Council has average rate levels compared to similar councils; however within that average it has relatively high-rate levels for residential ratepayers and relatively low-rate levels for non-residential ratepayers.[68] The Council has a rating policy in place which considers, among other things, the impact of rates on all businesses in the Council area, by considering and assessing the demand on Council services, and the priorities and projects that benefit businesses.[69]



64 From 2012-13 to 2021-22.

65 CPI Adelaide (All groups). Average annual growth in the LGPI published by the South Australian Centre for Economic Studies was similar (at 2.0 percent). Available at https://www.adelaide.edu.au/saces/economic-and-social-indicators/local-government-price-index.

66 The Commission notes the increase in the solid waste levy over the last 10 years, which has impacted waste management costs in the local government sector.

67 Based on the Commission's discussions with Council representatives on 1 November 2023, and Council's further written responses provided on 3 November 2023.

68 Refer to Councils in Focus rates data for 2021-22 available at https://councilsinfocus.sa.gov.au/councils/city_of_mitcham. The Commission is not relying on these historical rate comparisons for its advice; the data source provides one indicator, among many, which has informed its advice on the appropriateness of the rate levels. Furthermore, this rate comparison does not consider the relative differences or changes in property values within a council's area.

69 City of Mitcham, *2023-24 Annual Business Plan, Budget and Long-Term Financial Plan*, July 2023, p.19.

D.2 Proposed 2023-24 rate increases

The Council has budgeted for an average rate increase of 8.9 percent or $171 per residential property and $454 per commercial property in 2023-24,[70] higher than it had anticipated charging for this year in its 2022-23 LTFP projections (that is, a 3.6 percent increase in average rates was previously forecast for 2023-24).[71] The rates increase reflects the Council's expected financial pressures across its service delivery, and is consistent with the increase in CPI [72] and LGPI during the previous 12 months at the time the budget was developed.[73]

The rates increase also reflects a combination of Council's cost recovery for existing service delivery (net of efficiency savings), costs for addressing the infrastructure asset backlog, and new service delivery.[74] As part of the annual review of its business plan, the Council had endorsed two budget options for public consultation, namely Option A (7.84 percent average rate increase) which maintains existing services and introduces no new service commitments in 2023-24 (except for solar initiatives), and Option B (8.90 percent average rate increase) which includes additional new services and addresses the road asset backlog. The Council indicates that the latter option was generally supported by the community,[75] however it appears there could be benefit in the Council in presenting more options which target lower rate increases over time.

The Council has assumed rateable property growth in the area will be minimal[76] (estimated at 0.2 percent in 2023-24) and therefore is not an important determinant in its proposed 2023-24 rates revenue. Different (or differential) rate categories also apply to various land use categories, and the Council has two key groupings (for the purposes of its rating policy), namely:[77]

- residential, primary production and other land uses – set at 0.22111 cents in the dollar on the capital value of rateable land, and
- commercial, industrial, and other and vacant land uses – set at 0.523478 cents in the dollar on the capital value of rateable land (approximately double the residential rate in the dollar).

The average rate increases across these two categories were broadly similar and, other than total 'general rates' revenue (which represents around 97 percent of total rates revenue in 2022-23),[78] the Council collects income from the Regional Landscape Levy (around 3 percent of total rates revenue).

D.3 Projected further rate increases

Over the forward years of its LTFP, the Council is projecting average rates increases for its existing ratepayers of approximately 3.0 percent per annum from 2023-24 to 2032-33. The Council's rate revenue assumption indicates that existing ratepayers are forecast to experience significant increases in the next four years (from 2023-24 to 2026-27) totalling 8.90 percent (in 2023-24), 4.27 percent (in

70 City of Mitcham, *2023-24 Annual Business Plan, Budget and Long-Term Financial Plan*, July 2023, p.18. Individual rate level changes may be higher or lower depending on the rates category and property value.
71 City of Mitcham, *2023-23 Annual Business Plan, Budget and Long-Term Financial Plan*, June 2022, p.29.
72 CPI Adelaide (All groups) increased by 7.9 percent in the year to March 2023 quarter and has reduced in the year to June 2023 and year to September 2023 quarters to 6.9 percent and 5.9 percent, respectively. Available at https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/consumer-price-index-australia/sep-quarter-2023.
73 City of Mitcham, *2023-24 Annual Business Plan, Budget and Long-Term Financial Plan*, June 2022, p.27.
74 The City of Mitcham has presented a range of budget options setting out differing service levels and rate increase options as part of the annual review of its Annual Business Plan, Budget and LTFP. City of Mitcham, *Special Full Council Meeting, Notice and Agenda – 27 June 2023, Item 7.1 Preparation of the Draft 2023/23 Long Term Financial Plan and the Draft 2023/2024 Annual Business Plan,* p.161 available at https://mitcham.civicclerk.com.au/web/Player.aspx?id=842&key=-1&mod=-1&mk=-1&nov=0.
75 City of Mitcham, *Audit and Risk Committee Agenda – 24 May 2023, Item 7.3 Review the 2023/24 Draft Long-Term Financial Plan and the 2023/24 Draft Annual Business Plan,* p.83 available at https://mitcham.civicclerk.com.au/web/Player.aspx?id=821&key=-1&mod=-1&mk=-1&nov=0.
76 City of Mitcham, *2023-24 Annual Business Plan, Budget and Long-Term Financial Plan*, July 2023, p.87. Also based on the Council's Financial Reporting template provided to the Commission.
77 City of Mitcham, *2023-24 Annual Business Plan, Budget and Long-Term Financial Plan*, July 2023, p.72.
78 Before discretionary rebates.

2024-25), and 3.26 percent (in 2025-26 and 2026-27). These increases reflect the Council's assumed cost recovery for existing services as well as the potential additional rates required for the cost of new services, the asset backlog and for continued funding associated with previous Council decisions.[79]

In total, the LTFP effectively projects a cumulative increase of $700 per existing ratepayer (to $3,005 per annum) by 2032-33, which is consistent with the Council's assumed inflation growth over this period, plus the potential increases required for new services and employee costs. This increase is above the RBA-based inflation forecast of an average of 2.6 percent per annum[80] (refer to the previous page chart on the left side).[81] Overall, the percentage of the Council's total income contributions from ratepayers is projected to average around 88 percent, compared to a historical average of around 84 percent.

The Commission considers that the Council has demonstrated good budgeting practices in its plans, particularly in identifying the rate impacts associated with individual programs, activities, and projects. However, the Council may need to provide further clarity in its rate assumptions in its plans, for example, how it defines 'rates required for existing services' compared to (for example) 'potential additional rates required for prior Council decisions'. There may also be a case for any funding for 'asset renewal backlogs' forming part of 'rates required for existing services' calculation (with the cost potentially absorbed by Council) as the rate of asset consumption (i.e., depreciation) on existing assets could be assumed to be historically funded in its budgets.[82]

Therefore, the Commission considers it would be appropriate for the Council to:

6. **Review** the rationale for rate increase assumptions in its plans (related to its classification of the costs of existing service and new services), and **consider** limiting future average rate increases above inflation, particularly for residential rates (for which average rate levels are high compared to similar councils), in consultation with its community, and in the context of desired service levels.

D.4 Affordability risk

Affordability risk among the community for these further rate increases appears to be moderate, on balance, when considering:

- the Council's relatively high average socio-economic indexes for areas (**SEIFA**) economic resources ranking for the Council area,[83]
- the current relatively high average rates for residential ratepayers which have experienced historical rate increases above inflation,
- the number of community members expressing concern about the affordability of further rate rises in the 2023-24 budget process,[84] and

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79 City of Mitcham, *2023-24 Annual Business Plan, Budget and Long-Term Financial Plan*, July 2023, p.29.

80 The forecast average annual growth in the CPI from 2023-24 to 2032-33 is estimated to be 2.6 percent based on the RBA forecasts for the CPI (Australia-wide) to December 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.

81 The CPI forecasts in the chart are based on RBA forecasts and then a return to long-term averages (2.5 percent per annum).

82 The Council has since advised the asset renewal backlog is effectively an enhancement of service levels specifically aimed at improving the current average condition of its assets (representing an increase of the existing service standard).

83 The City of Mitcham area is ranked 67 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 SEIFA Index of Economic Resources (2021), where a lower score (eg, 1) denotes relatively lower access to economic resources in general, compared with other areas, available at https://www.abs.gov.au/statistics/people/people-and-communities/socio-economic-indexes-areas-seifa-australia/2021.

84 City of Mitcham, *Special Full Council Meeting - 27 June 2023, Item 6.1 Community Consultation Findings on the Draft 2023/24 Annual Business Plan, Budget and Long Term Financial Plan,* available at

- the effect of cumulative increases in rates per existing ratepayer of approximately 3.0 percent per annum to the period 2032-33, which remains above the average forecast rate of inflation of 2.6 percent.

The Commission notes that the Council's community consultation processes are comprehensive and effective in understanding and responding to community concerns on rates affordability and service provision. It is further noted that the Council has used a range of approaches and media channels to inform its community on its proposed plans and, as a result, received a high level of engagement.[85] In general, the survey responses (to the 2023-24 proposed budget) showed that a significant proportion of the community (or 49 percent of respondents) showed support for the Council's allocation of funds to maintaining existing services as well as to invest in new assets and services. The remaining respondents preferred the Council to focus on funding existing services (33 percent); or did not choose a budget preference (18 percent), but generally considered the rate increases (under both budget options) to be too high. In this context, the Commission considers it would be appropriate for it to:

7. Continue the good practice of consulting with the community on its strategic management plans, with a focus on understanding and managing emerging affordability risk.

https://civicclerkau.blob.core.windows.net/stream/MITCHAM/3803f8755f.pdf?sv=2015-12-11&sr=b&sig=9mME%2BF92m1A92smGOJ6IxJ7OXk6oaCNmHcVl%2BF2kIMk%3D&st=2023-09-16T23%3A45%3A11Z&se=2024-09-16T23%3A50%3A11Z&sp=r&rscc=no-cache&rsct=application%2Fpdf.

85 Ibid. The Council received a range of submissions on its 2023-24 Draft Annual Business, Budget and LTFP: 212 online surveys, 11 general feedback, 1 Audit and Risk Committee submission, and 17 questions and answers were provided.

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