

Casey City Council

Group: interface

This fact sheet uses graphs and data to examine this council's revenue, expenditure and financial sustainability over recent years. The information aims to help readers understand the impacts of rate capping. This was introduced in 2016–17 to restrict the amount councils can increase their general rates and municipal charges each financial year.

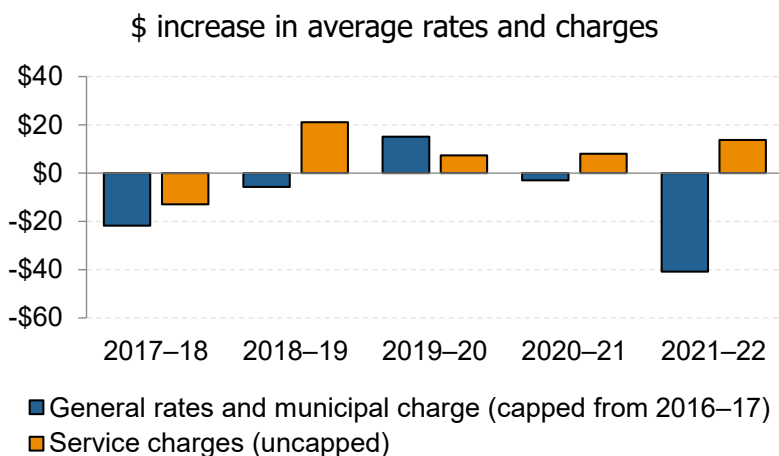
You can compare this council's data against its 'group' by looking at the fact sheet for interface councils. Further information is available at <http://www.esc.vic.gov.au/outcomes-reports>. You'll find an interactive version of this fact sheet, a reader's guide to help you understand key terms and information about the sector as a whole.



Key facts	
Population (June 2021):	369,453
Size (km ²):	409
Length of local roads (km):	1,875
Population per km of roads:	197
Council employees (FTE, 2021–22):	1,466
Higher cap approved for any year between 2016–17 and 2021–22	No

Rates

What happened to average rates and charges (2021–22 dollars)?



Year	Average rates and charges	Applicable rate cap
2016–17	\$1,939	2.50%
2017–18	\$1,905	2.00%
2018–19	\$1,920	2.25%
2019–20	\$1,943	2.50%
2020–21	\$1,948	2.00%
2021–22	\$1,921	1.50%

Rates (continued)



See the reader's guide for data sources and useful information. Note: The numbers in this fact sheet have been adjusted for inflation and are expressed in 2021–22 dollars.

Did council's average rates comply with the applicable rate caps?

2020–21 (2.00%)	2021–22 (1.50%)	2022–23 (1.75%)
Yes	Yes	Yes

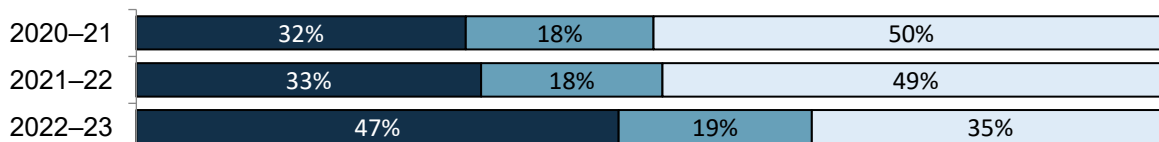
How did rates change for different ratepayers?

Council's rating strategy 2022–23

Council applies a uniform rate to all property types and recovers the cost of waste services using service charges. The adopted budget contains more information about rate categories and charges.

Distribution of rates increases and decreases

The applicable rate cap is applied to council's average rate. So, some individual rates increased by more and some increased by less than the applicable cap (or even decreased).



- % of rates notices decreasing
- % of rates notices increasing by less than the applicable cap
- % of rates notices increasing by more than the applicable cap

Ratepayers by property class (2021–22 dollars)

	Residential ratepayers	Commercial ratepayers	Industrial ratepayers	Rural ratepayers
	95% of ratepayers in 2021–22	2% of ratepayers in 2021–22	3% of ratepayers in 2021–22	<1% of ratepayers in 2021–22
	\$244.3m (92%) of rates and charges revenue in 2021–22	\$13m (5%) of rates and charges revenue in 2021–22	\$7.1m (3%) of rates and charges revenue in 2021–22	\$1.5m (1%) of rates and charges revenue in 2021–22
	0.2% average annual change between 2017–18 and 2021–22	-3.5% average annual change between 2017–18 and 2021–22	-4.8% average annual change between 2017–18 and 2021–22	-1.1% average annual change between 2017–18 and 2021–22

Source: Victorian Local Government Grants Commission (unaudited data). Includes both capped and uncapped rates and charges. 'Other' category of property class has been omitted.

Revenue



See the reader's guide for data sources and useful information.
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Where did council's money come from?

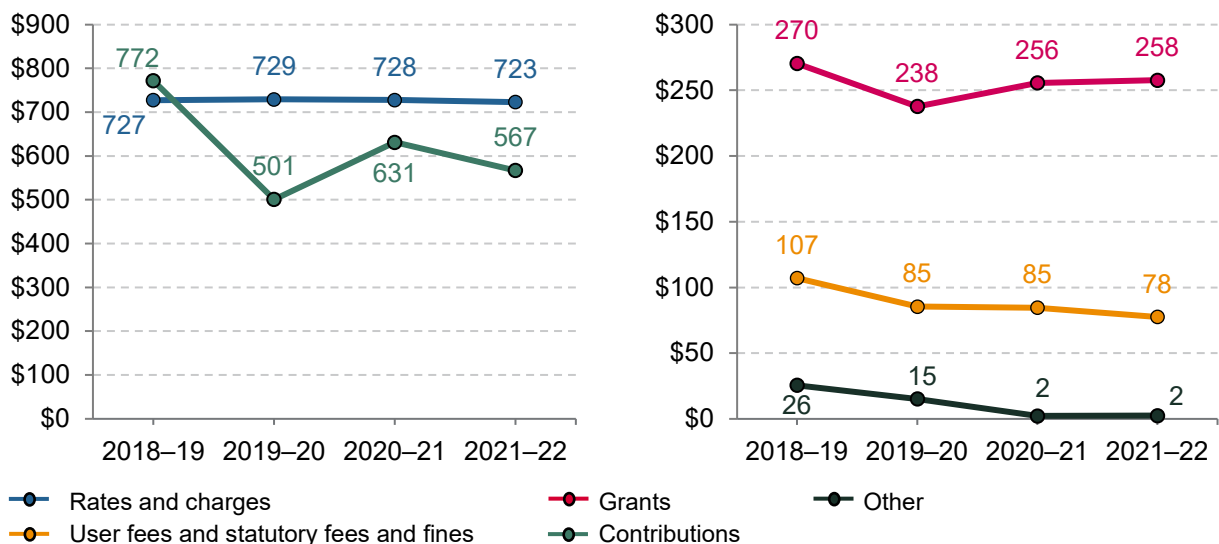
Revenue (2021–22 \$m and % of total revenue)

	2018–19		2019–20		2020–21		2021–22	
	\$m	%	\$m	%	\$m	%	\$m	%
Rates and charges	245.7	(38%)	256.4	(47%)	264.5	(43%)	267.1	(44%)
User fees and statutory fees and fines	36.2	(6%)	30.1	(5%)	30.8	(5%)	28.7	(5%)
Grants	91.3	(14%)	83.6	(15%)	92.9	(15%)	95.2	(16%)
Contributions	260.7	(41%)	176.1	(32%)	229.3	(37%)	209.5	(35%)
Other	8.7	(1%)	5.3	(1%)	0.8	(0%)	0.9	(0%)
Total	642.6		551.5		618.3		601.3	

Casey City Council's total revenue decreased in real terms between 2018–19 and 2021–22, reflecting a decrease in revenue from contributions.

Rates and charges, and contributions were the largest sources of revenue, accounting for 79 per cent of total revenue between 2018–19 and 2021–22.

Revenue per person (2021–22 dollars)



In terms of revenue per person (which adjusts for changes in population), revenue from all categories decreased between 2018–19 and 2021–22, except for revenue from rates and charges which remained stable.

Expenditure



See the reader's guide for data sources and useful information.
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How much money did council spend?

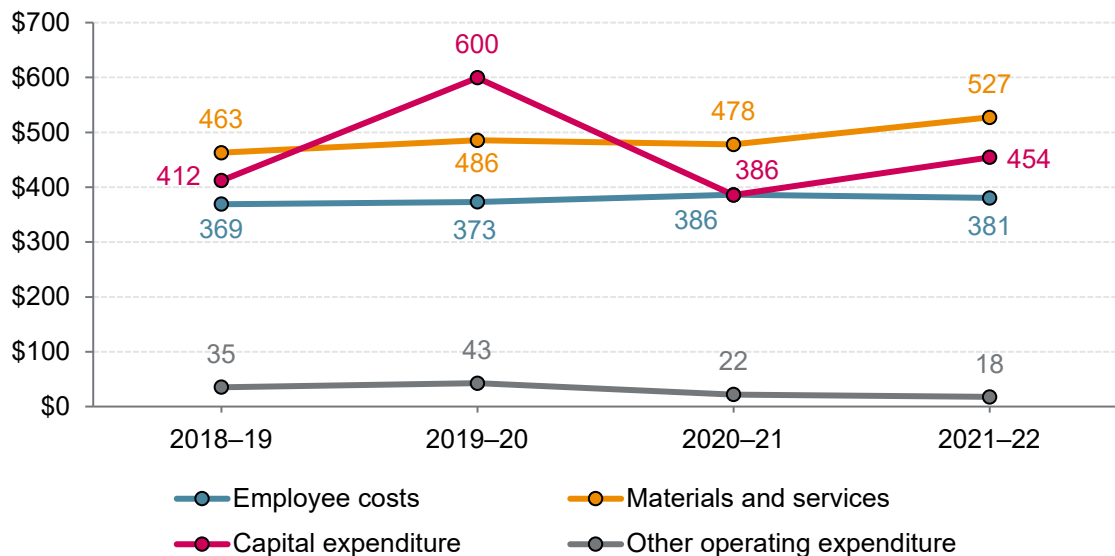
Expenditure (2021–22 \$m and % of total expenditure)

	2018–19		2019–20		2020–21		2021–22	
	\$m	%	\$m	%	\$m	%	\$m	%
Operating expenditure	293.0	(68%)	317.0	(60%)	322.1	(70%)	341.9	(67%)
Employee costs	124.7	(29%)	131.2	(25%)	140.4	(30%)	140.6	(28%)
Materials and services	156.4	(36%)	170.7	(32%)	173.7	(38%)	194.8	(38%)
Other operating expenditure	11.9	(3%)	15.1	(3%)	8.0	(2%)	6.6	(1%)
Capital expenditure	139.2	(32%)	210.8	(40%)	140.1	(30%)	167.9	(33%)
Total	432.2		527.8		462.2		509.8	

Casey City Council's total expenditure trended upwards in real terms, despite fluctuating between 2018–19 and 2021–22. The largest changes occurred in 2019–20, as capital expenditure increased, and in 2020–21, as capital expenditure decreased.

Materials and services was the largest area of expenditure, accounting for 36 per cent of total expenditure between 2018–19 and 2021–22.

Expenditure per person (2021–22 dollars)



In terms of expenditure per person (which adjusts for changes in population), council's expenditure on employee costs and expenditure on materials and services increased between 2018–19 and 2021–22. This compares with a downward trend in 'other operating expenditure' per person and a fluctuation in capital expenditure per person.



See the reader's guide for data sources and useful information.
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Did council's capital expenditure pattern change?

Capital expenditure (2021–22 \$m and % of total capital expenditure)

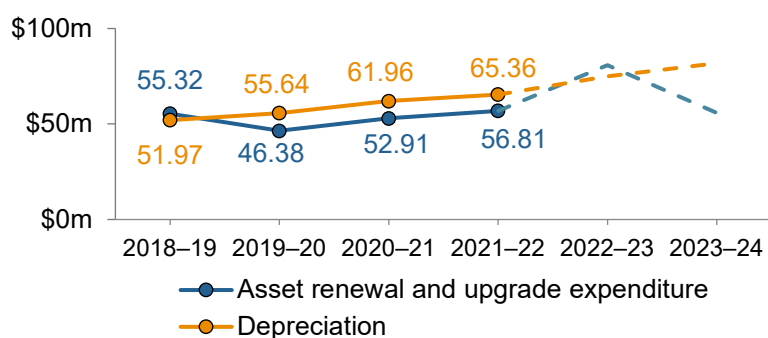
	2018–19		2019–20		2020–21		2021–22	
	\$m		\$m		\$m		\$m	
Renewal	31.6	(23%)	29.8	(14%)	29.7	(21%)	26.9	(16%)
Upgrade	23.7	(17%)	16.5	(8%)	23.2	(17%)	29.9	(18%)
Expansion	3.2	(2%)	6.2	(3%)	0.6	(0%)	0.9	(1%)
New	80.7	(58%)	158.3	(75%)	86.6	(62%)	110.2	(66%)
Total	139.2		210.8		140.1		167.9	

Casey City Council's spending on new assets trended upwards in real terms, despite fluctuating between 2018–19 and 2021–22. New assets accounted for the highest share of capital expenditure over this period (66 per cent).

Council's spending on asset upgrades increased in real terms between 2018–19 and 2021–22, while spending on asset renewal and asset expansion declined.

Did council renew assets (such as roads, parks and buildings)?

Council assets: comparing renewal and upgrade expenditure with depreciation (2021–22 dollars)



Renewal & upgrade expenditure as a percentage of depreciation

2018–19	106%
2019–20	83%
2020–21	85%
2021–22	87%
2022–23	108% (forecast data)
2023–24	68% (forecast data)

Council's spending on renewing and upgrading assets trended upwards in real terms between 2019–20 and 2021–22, following a decrease in 2019–20. Renewal and upgrade expenditure decreased below the amount of depreciation (the decline in value of council's assets caused by age and use) in 2019–20. It was forecast to increase above the amount of depreciation in 2022–23, before decreasing in 2023–24.

Services



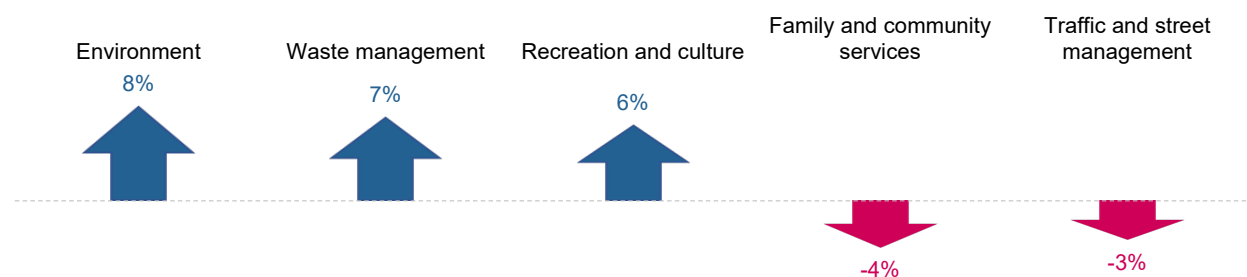
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Which service areas did council spend its money on?

Expenditure by function (2021–22 \$m and % of total services expenditure)

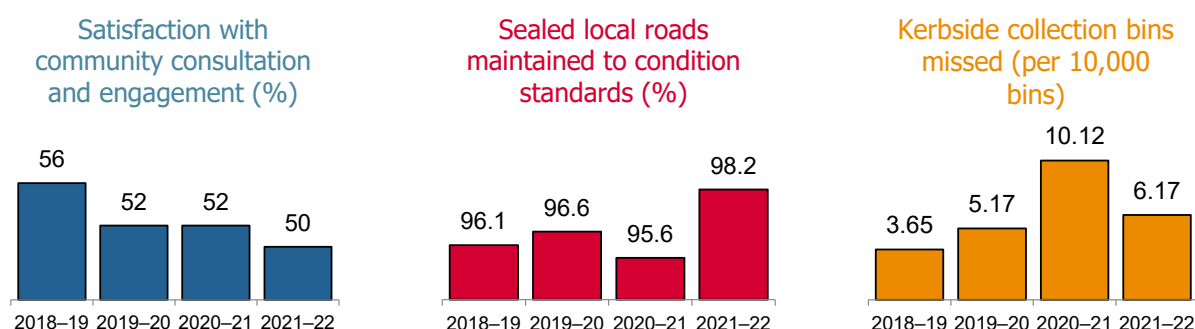
	2018–19	2019–20	2020–21	2021–22
	\$m	\$m	\$m	\$m
Aged and disabled services	20.7 (6%)	19.7 (6%)	19.6 (6%)	20.7 (6%)
Business and economic services	20.4 (6%)	19.3 (6%)	25.6 (7%)	19.0 (5%)
Environment	15.7 (5%)	16.2 (5%)	18.3 (5%)	19.7 (6%)
Family and community services	56.5 (17%)	60.4 (18%)	58.0 (17%)	50.2 (14%)
Governance	68.5 (20%)	68.3 (20%)	67.2 (19%)	66.6 (19%)
Local roads and bridges	19.5 (6%)	19.9 (6%)	17.6 (5%)	19.7 (6%)
Recreation and culture	68.0 (20%)	65.9 (19%)	68.4 (20%)	81.5 (23%)
Traffic and street management	34.2 (10%)	29.2 (9%)	31.8 (9%)	31.1 (9%)
Waste management	37.0 (11%)	42.0 (12%)	42.5 (12%)	45.1 (13%)
Other	0.0 (0%)	0.0 (0%)	0.3 (0%)	0.0 (0%)
Total	340.5	340.8	349.3	353.6

Which areas experienced the biggest changes from 2018–19 to 2021–22?



Source: Victorian Local Government Grants Commission (unaudited). Council Annual Reports may provide further explanation of these expenditure changes.

Did service quality or community satisfaction change?

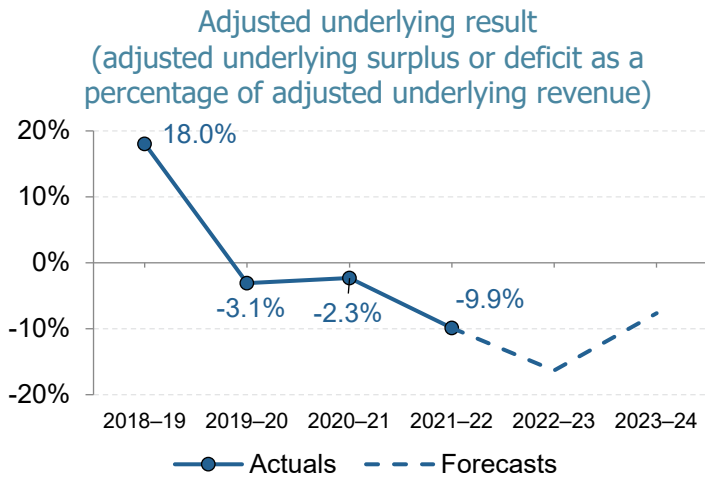


Financial position

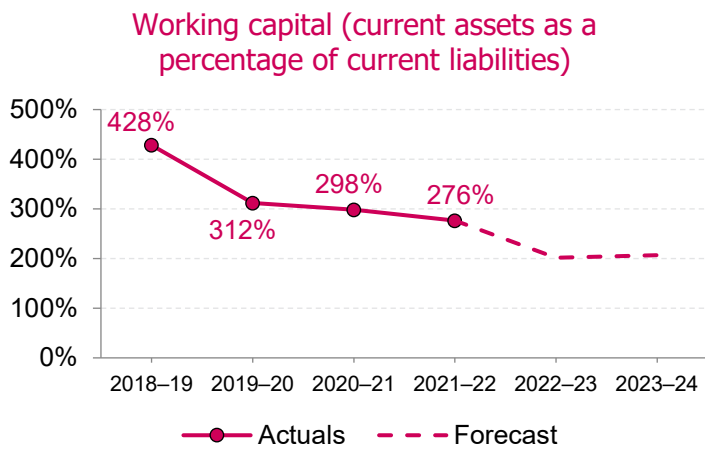


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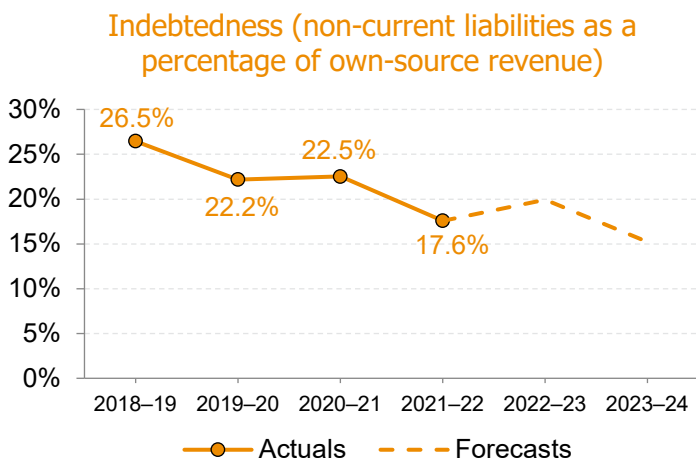
Did council operate sustainably?



Between 2018–19 and 2021–22, Casey City Council reported an average **adjusted underlying result** of 0.7 per cent. However, council reported a negative result in each year since 2019–20. An ongoing negative result suggests that, without an increase in ongoing revenue or receipt of one-off grants, ongoing revenue may not fund the range and level of services being provided.



Council could meet its current financial obligations with a reported average **working capital ratio** of 329 per cent between 2018–19 and 2021–22.



Between 2018–19 and 2021–22, council reported an average **indebtedness ratio** of 22.2 per cent. The lower the percentage, the greater a council's ability is to repay debt from revenue it controls.

Note: Some of the year-on-year changes in these financial indicators may be due to changes to accounting standards or the impact of coronavirus. See the reader's guide for more information.