

Moyne Shire Council

Group: Large Shire

This fact sheet uses graphs and other data to show whether there have been any significant changes in this council's services, infrastructure and financial outcomes since the introduction of rate capping — a system that restricts the amount a council can increase its general rates and municipal charges in each financial year.

A reader's guide is available to help you understand the terms used in this fact sheet. You can compare this council's data against its 'group' by looking at the fact sheet for large shires. View the reader's guide, all available fact sheets and information for the sector as a whole at <http://www.esc.vic.gov.au/outcomes-reports>.



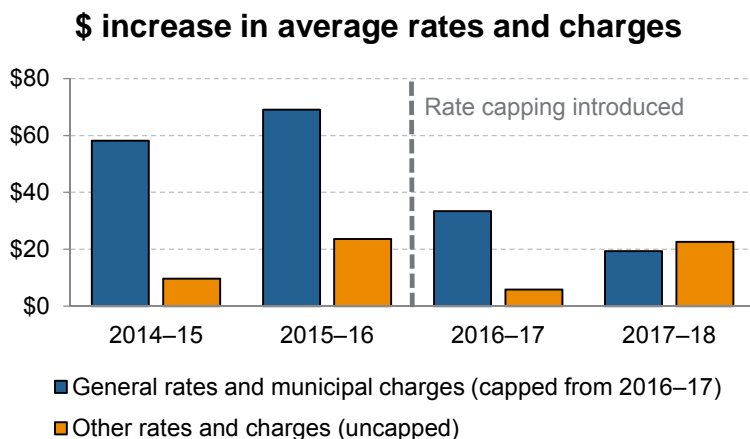
© OpenStreetMap contributors

Key facts

Population:	16,794
Size (km ²):	5,481
Length of local roads (km):	2,747
Population per km of roads:	6.1
Council employees (FTE, 2017–18):	237
Submitted an application for a higher cap for 2016–17 or 2017–18?	No

Rates

What has happened to average rates and charges?



Year	Average rates and charges	Applicable rate cap
2014–15	\$1,606	n/a
2015–16	\$1,699	n/a
2016–17	\$1,738	2.50%
2017–18	\$1,780	2.00%

Rates (continued)

See the reader's guide for data sources and useful information.
 Note: The numbers in this fact sheet have not been adjusted for inflation.

Have council's average rates complied with the applicable rate caps?

2016–17 (2.50%)	2017–18 (2.00%)	2018–19 (2.25%)
Yes	Yes	Yes

How have rates changed for individual ratepayers?

Distribution of rates increases and decreases in revaluation years

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

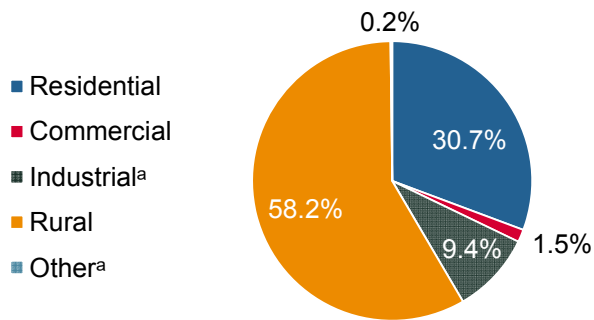


- % of rates notices decreasing
- % of rates notices increasing by less than the applicable cap
- % of rates notices increasing by more than the applicable cap

Note: In 2017–18, properties were not revalued so most rates notices would have increased by a similar percentage.

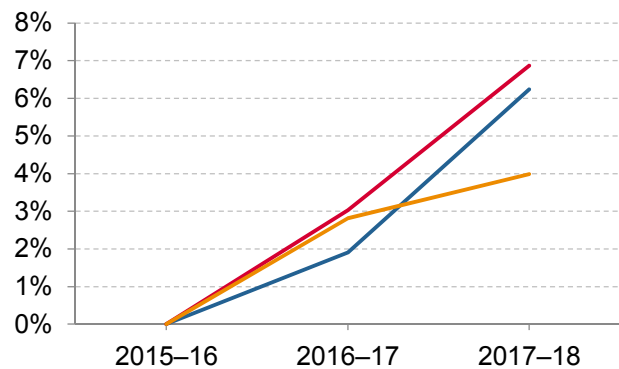
Ratepayers by property class

Proportion of rates and charges revenue from each property class in 2017–18



^a Category has been omitted from the line chart

Percentage change in average rates and charges since 2015–16



Source: Victoria Grants Commission (unaudited data). Includes both capped and uncapped rates and charges.

Rural ratepayers pay the majority of Moyne Shire Council's rates and charges. This group of ratepayers, on average, experienced a 4 per cent increase in their rates notices between 2015–16 and 2017–18. The difference in rate increases can be due to relative changes in property valuations, and changes in property numbers, the council's rating structure, and uncapped rates and charges. Council's average rates and charges (a combination of all classes) increased from \$1,699 to \$1,780 (4.8 per cent) over the same period.

Revenue

See the reader's guide for data sources and useful information.
Note: The numbers in this fact sheet have not been adjusted for inflation.

Where is council's money coming from?

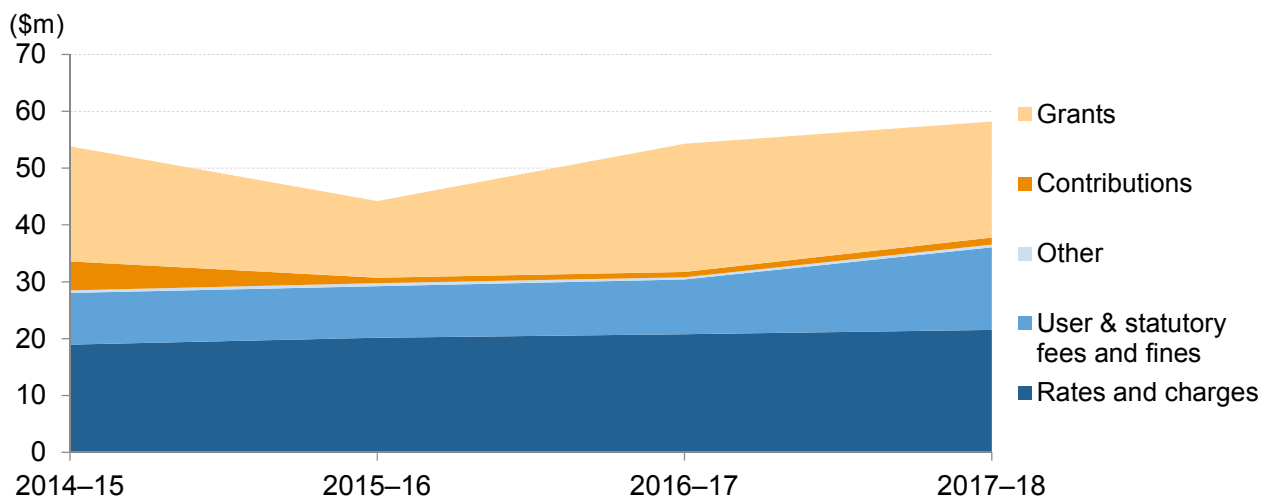
Revenue source	Before rate capping (average of 2014–15 and 2015–16)		After rate capping (average of 2016–17 and 2017–18)	
	\$m	% of revenue	\$m	% of revenue
Rates and charges	19.5	40	21.2	38
Grants	16.9	34	21.5	38
User fees and statutory fees and fines	9.1	19	12.1	21
Contributions	3.0	6	1.1	2
Other	0.5	1	0.4	1
Total	49.0	100	56.2	100

Moyne Shire Council's average revenue from rates and charges, grants and user fees and statutory fees and fines increased in the two years following the introduction of rate capping compared to the two years before rate capping.

The changes in the composition of council's revenue were the decreases in the proportions of revenue from contributions and rates and charges and the increases in the proportion of revenue from grants and user fees and statutory fees and fines over the two years after rate capping commenced.

Note: Revenue from grants may have been affected by the advance payment of annual Commonwealth grant allocations in 2014–15, 2016–17 and 2017–18.

Revenue growth by source



Expenditure

See the reader's guide for data sources and useful information.
 Note: The numbers in this fact sheet have not been adjusted for inflation.

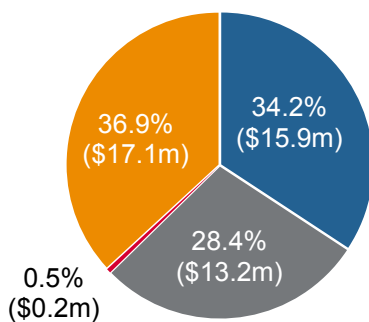
How much money is council spending?

Year	Operating expenditure	Capital expenditure	Operating expenditure per head of population	Capital expenditure per head of population
2014–15	\$29.2m	\$16.5m	\$1,766	\$999
2015–16	\$29.5m	\$17.7m	\$1,776	\$1,069
2016–17	\$29.8m	\$19.4m	\$1,778	\$1,158
2017–18	\$37.1m	\$18.3m	\$2,211	\$1,089

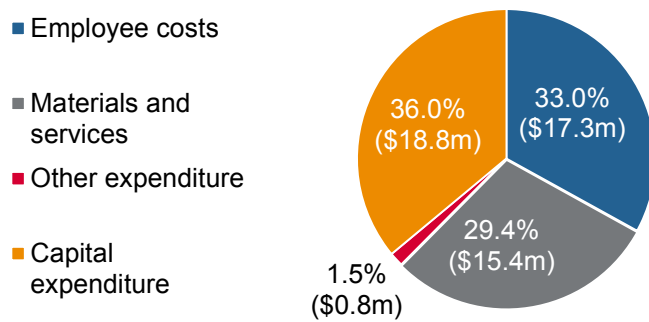
Moyne Shire Council's operating expenses have been relatively stable in recent years. However, operating expenses jumped in 2017–18, which was caused by an increase in spending on materials and services (particularly contract payments). Capital expenditure has trended upward over the same period, with a spike in 2016-17 caused by higher levels of spending on asset renewal and upgrade projects.

How is council spending its money?

Average expenditure by category in the 2 years before rate capping

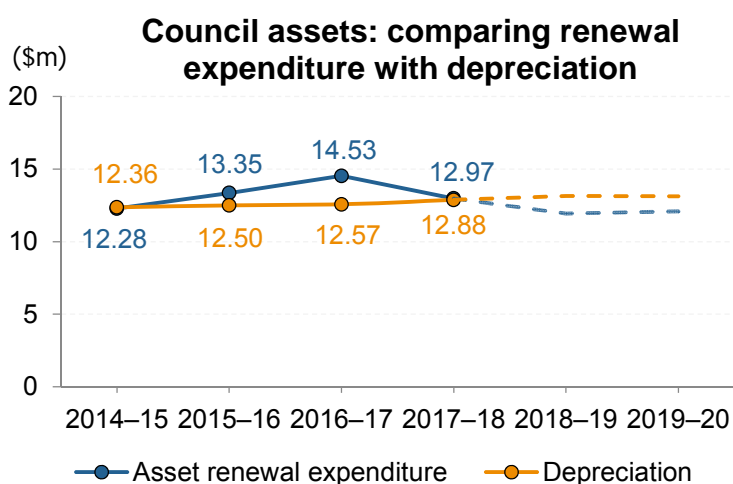


Average expenditure by category in the 2 years after rate capping



There was a change in the composition of Moyne Shire Council's expenditure, reflecting a proportionally higher increase in average spending on materials and services in the two years after rate capping was introduced. Average 'other' expenditure also increased over the same period, while employee costs and capital expenditure decreased as a proportion of total expenditure despite increasing in terms of average dollars spent.

Is council renewing its assets (such as roads, parks and buildings)?



Year	Asset renewal expenditure as a percentage of depreciation (%)
2014-15	99
2015-16	107
2016-17	116
2017-18	101
2018-19	91 (forecast data)
2019-20	92 (forecast data)

Moyne Shire Council's spending on the renewal of its assets has fluctuated in recent years, but has remained close to, or above, the amount of depreciation (the decline in value of its assets caused by age and use). Renewal expenditure is planned to decrease below 100 per cent of depreciation in 2018-19 and 2019-20.

Has council's capital expenditure pattern changed?

Capital expenditure					The composition of council's average capital expenditure remained similar before and after rate capping was introduced. Average spending on asset renewal increased, as did average spending on upgrade and expansion projects.
	Before rate capping (average 2014-15 and 2015-16)		After rate capping (average 2016-17 and 2017-18)		
	\$m	% of total	\$m	% of total	
Renewal	12.8	75	13.8	73	
New	1.1	6	1.1	6	
Upgrade	3.0	17	3.5	18	
Expansion	0.2	1	0.5	3	
Total	17.1	100	18.8	100	

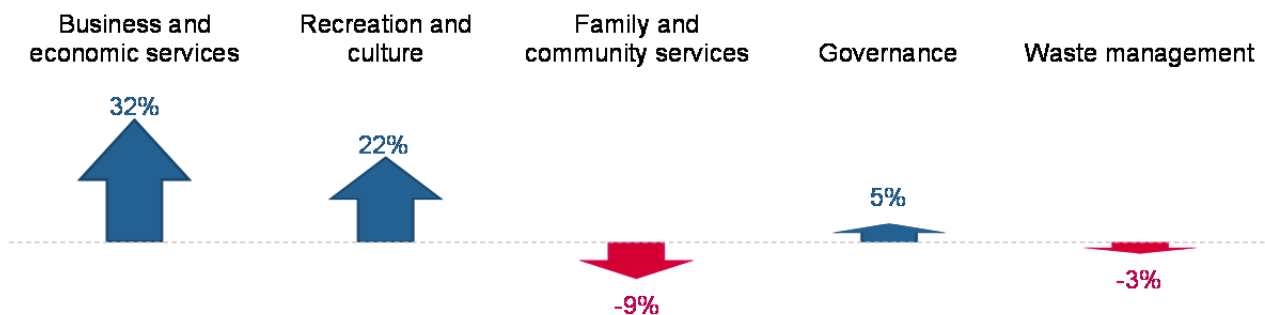
Services

See the reader's guide for data sources and useful information.
Note: The numbers in this fact sheet have not been adjusted for inflation.

Which service areas is council spending its money in?

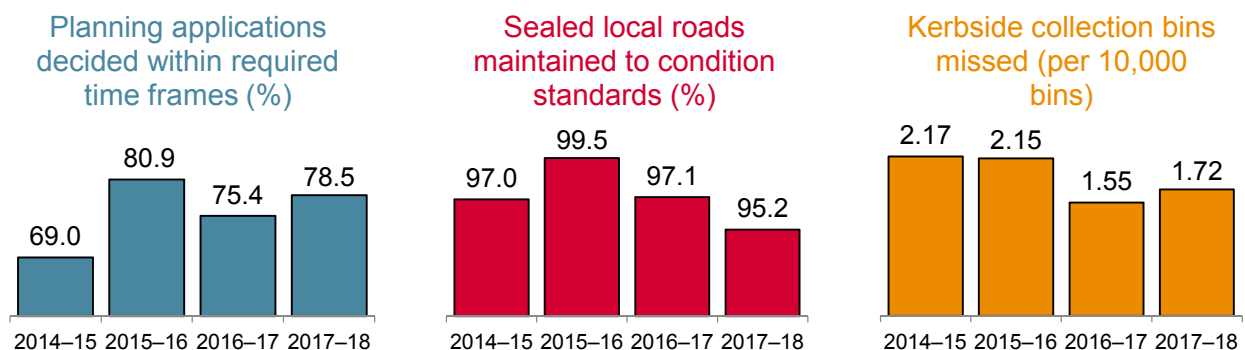
Expenditure by function	Before rate capping (average 2014–15 and 2015–16)		After rate capping (average 2016–17 and 2017–18)	
	\$ per person	% of expenditure	\$ per person	% of expenditure
Local roads and bridges	852	32.5	858	31.5
Business and economic services	371	14.2	489	18.0
Governance	426	16.3	447	16.4
Recreation and culture	198	7.6	242	8.9
Family and community services	227	8.7	206	7.6
Waste management	164	6.3	160	5.9
Aged and disabled services	129	4.9	109	4.0
Traffic and street management	120	4.6	91	3.4
Other	51	1.9	63	2.3
Environment	81	3.1	57	2.1

Which service areas have experienced the biggest changes in spending?



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

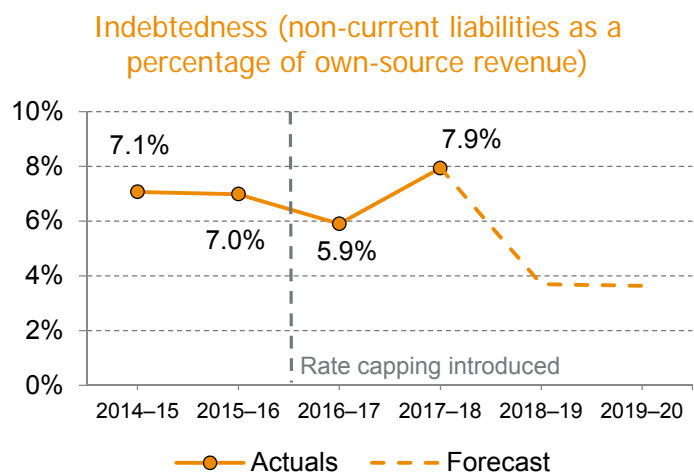
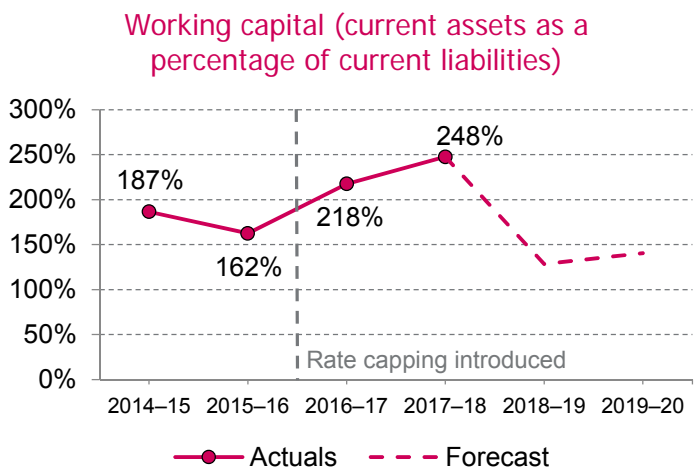
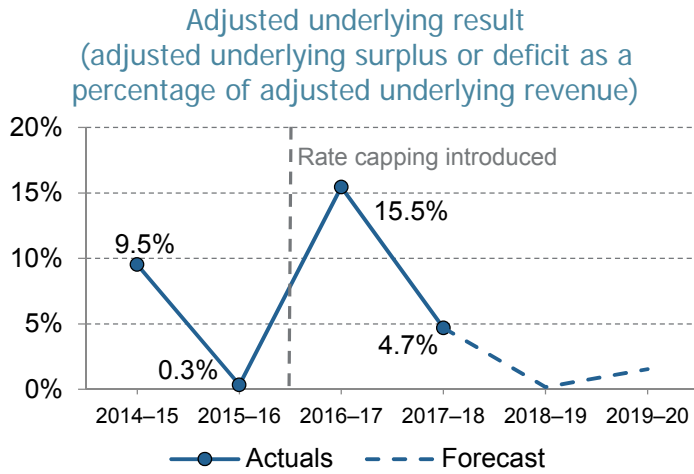
Has there been a change in service quality? (selected services only)



Financial position

See the reader's guide for data sources and useful information.
 Note: The numbers in this fact sheet have not been adjusted for inflation.

Is council operating sustainably?



Between 2014–15 and 2017–18, Moyne Shire Council reported an average **adjusted underlying result** of 7.5 per cent. A positive result suggests that there is enough ongoing revenue to continue to fund the current level of service provision.

Council is able to meet its short-term financial obligations with an average **working capital ratio** of 204 per cent between 2014–15 and 2017–18.

Council is able to meet its long-term financial obligations with a low **indebtedness ratio**.

Note: Some of the year on year change in the adjusted underlying result and the working capital ratio may be due to the timing of Commonwealth grant payments.