

Campaspe Shire Council

Group: large shire

This fact sheet uses graphs and data to examine this council's revenue, expenditure and financial sustainability over recent years. The information is intended to help readers understand the impacts of rate capping, which 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 large shires. 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.



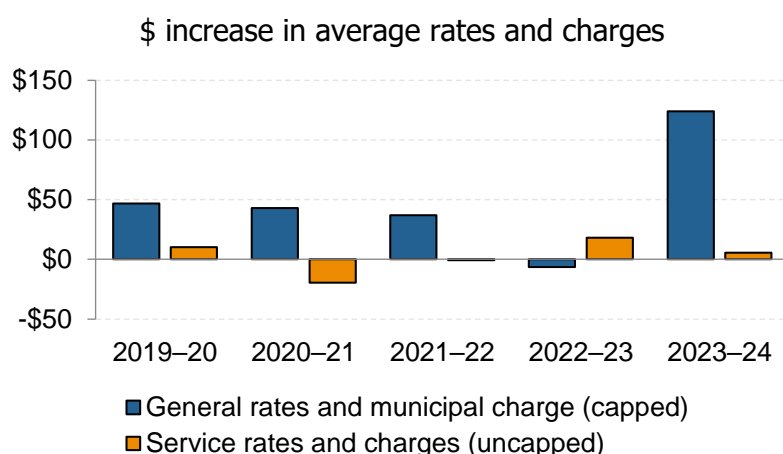
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Key facts

Population (June 2023):	38,299
Size (km ²):	4,519
Length of local roads (km):	4,016
Population per km of roads:	10
Council employees (FTE, 2023–24):	354
Higher cap approved for any year between 2018–19 and 2023–24	No

Rates

What has happened to average rates and charges?



Year	Average rates and charges	Applicable rate cap
2018–19	\$2,011	2.25%
2019–20	\$2,068	2.50%
2020–21	\$2,092	2.00%
2021–22	\$2,128	1.50%
2022–23	\$2,140	1.75%
2023–24	\$2,269	3.50%

Rates (continued)



See the reader's guide for data sources and useful information. Where noted, the numbers in this fact sheet have been adjusted for inflation and are expressed in 2023–24 dollars.

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

2022–23 (1.75%)	2023–24 (3.50%)	2024–25 (2.75%)
Yes	Yes	Yes

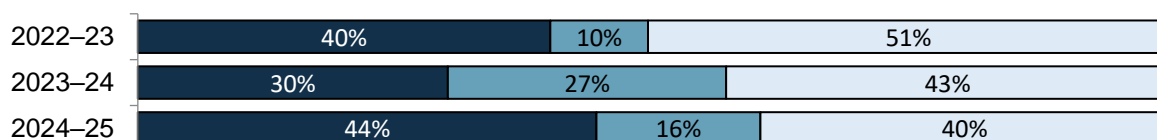
How have rates changed for different ratepayers?

Council's rating strategy 2024–25

Council levies 4 differential rates for different types of property, a municipal charge and uses service charges to recover the cost of waste services. More information about council's differential rate categories and charges can be found in council's adopted budget.

Distribution of rates increases and decreases

The applicable rate cap is applied to council's average rate, which means 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

	Residential ratepayers	Commercial ratepayers	Industrial ratepayers	Rural ratepayers
	75% of ratepayers	5% of ratepayers	3% of ratepayers	17% of ratepayers
	\$30.5m (62%) of rates and charges revenue in 2023–24	\$4.7m (10%) of rates and charges revenue in 2023–24	\$2.2m (4%) of rates and charges revenue in 2023–24	\$11.6m (24%) of rates and charges revenue in 2023–24
	1.7% average annual increase between 2019–20 and 2023–24	1.6% average annual increase between 2019–20 and 2023–24	–4.6% average annual increase between 2019–20 and 2023–24	4.9% average annual increase between 2019–20 and 2023–24

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 is council's money coming from?

Revenue (2023–24 \$m and % of total revenue)

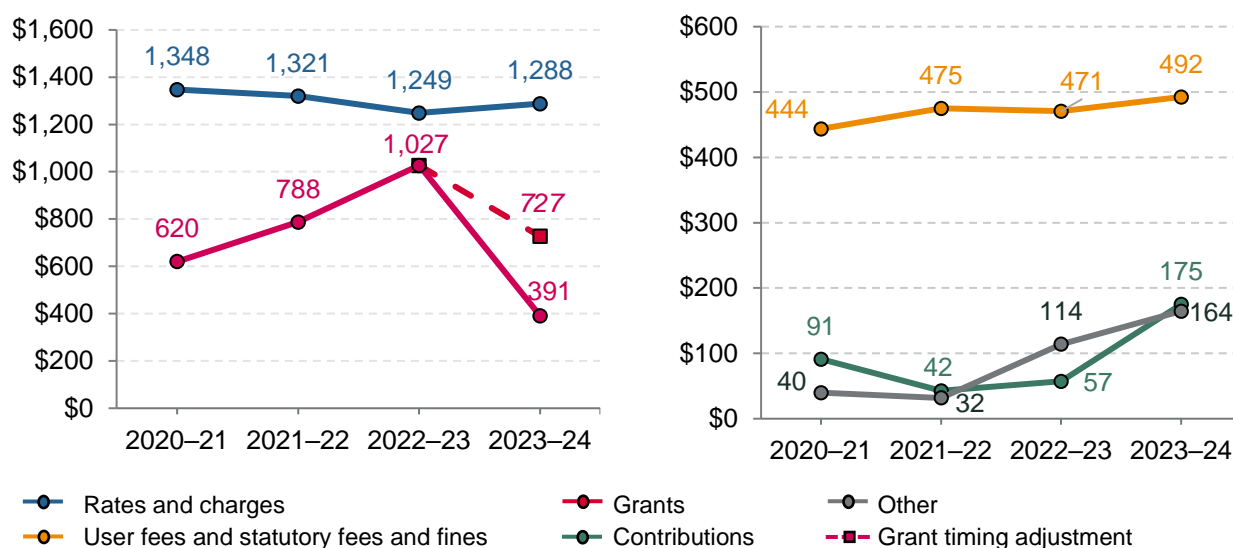
	2020–21		2021–22		2022–23		2023–24	
	\$m		\$m		\$m		\$m	
Rates and charges	51.7	(53%)	50.9	(50%)	48.2	(43%)	49.3	(51%)
User fees and statutory fees and fines	17.0	(17%)	18.3	(18%)	18.1	(16%)	18.9	(20%)
Grants	23.8	(24%)	30.4	(30%)	39.6	(35%)	15.0	(16%)
Contributions	3.5	(4%)	1.6	(2%)	2.2	(2%)	6.7	(7%)
Other	1.5	(2%)	1.2	(1%)	4.4	(4%)	6.3	(7%)
Total	97.6		102.5		112.5		96.1	

Campaspe Shire Council's total revenue fluctuated in real terms between 2020–21 and 2023–24. The largest changes occurred in 2022–23, as revenue from grants increased before decreasing in 2023–24.

However, the decrease in grant revenue in 2023–24 partially reflects the financial assistance grants being received later than usual. Council would have received \$27.8 million in grant revenue if the payment was received before the end of the financial year.

Rates and charges, and grants were the largest sources of council's revenue, accounting for 76 per cent of total revenue between 2020–21 and 2023–24.

Revenue per person (2023–24 dollars)



In terms of revenue per person (which adjusts for population growth), council's revenue from user fees and statutory fees and fines, contributions and 'other' revenue increased in real terms between 2020–21 and 2023–24, while revenue from rates and charges decreased.

Expenditure



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

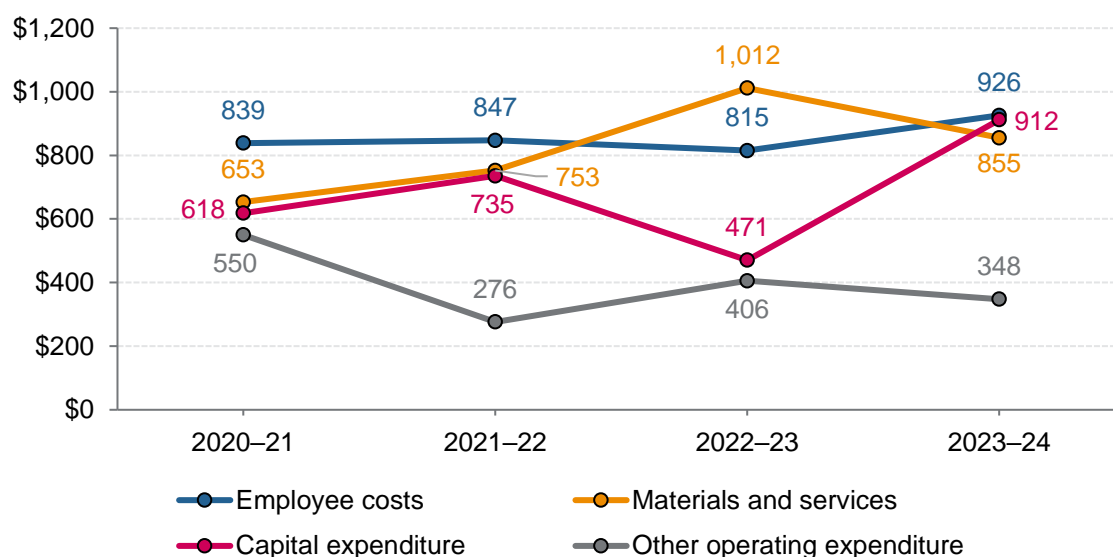
Expenditure (2023–24 \$m and % of total expenditure)

	2020–21	2021–22	2022–23	2023–24
	\$m	\$m	\$m	\$m
Operating expenditure	78.3 (77%)	72.3 (72%)	86.1 (83%)	81.5 (70%)
Employee costs	32.2 (32%)	32.7 (32%)	31.4 (30%)	35.5 (30%)
Materials and services	25.1 (25%)	29.0 (29%)	39.0 (37%)	32.8 (28%)
Other operating expenditure	21.1 (21%)	10.6 (11%)	15.6 (15%)	13.3 (11%)
Capital expenditure	23.7 (23%)	28.4 (28%)	18.1 (17%)	34.9 (30%)
Total	102.1	100.7	104.2	116.5

Campaspe Shire Council's total expenditure increased in real terms between 2020–21 and 2023–24, reflecting increases in capital expenditure, expenditure on materials and services and expenditure on employee costs.

Employee costs was the largest area of expenditure, which accounted for 31 per cent of total expenditure between 2020–21 and 2023–24.

Expenditure per person (2023–24 dollars)



In terms of expenditure per person (which adjusts for population growth), council's expenditure on employee costs, expenditure on materials and services and capital expenditure increased in real terms between 2020–21 and 2023–24.

Has council's capital expenditure pattern changed?

Capital expenditure (2023–24 \$m and % of total capital expenditure)

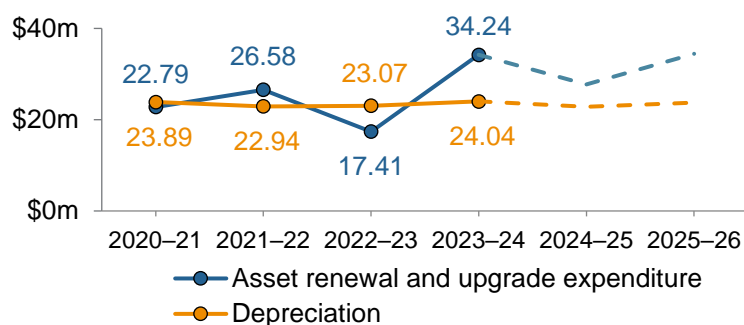
	2020–21	2021–22	2022–23	2023–24
	\$m	\$m	\$m	\$m
Renewal	19.4 (82%)	19.3 (68%)	14.6 (81%)	24.2 (69%)
Upgrade	3.3 (14%)	7.2 (26%)	2.8 (15%)	10.1 (29%)
Expansion	0.0 (0%)	0.0 (0%)	0.0 (0%)	0.0 (0%)
New	0.9 (4%)	1.8 (6%)	0.7 (4%)	0.7 (2%)
Total	23.7	28.4	18.1	34.9

Campaspe Shire Council's spending on asset renewal trended upwards in real terms, despite fluctuating between 2020–21 and 2023–24. Asset renewal accounted for the highest share of capital expenditure over this period (74 per cent).

Council's spending on asset upgrades increased in real terms between 2020–21 and 2023–24, while spending on new assets declined.

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

Council assets: comparing renewal and upgrade expenditure with depreciation (2023–24 dollars)



Renewal & upgrade expenditure as a percentage of depreciation

2020–21	95%
2021–22	116%
2022–23	75%
2023–24	142%
2024–25	122% (forecast data)
2025–26	145% (forecast data)

Council's spending on the renewal and upgrade of its assets trended upwards in real terms, despite fluctuating between 2020–21 and 2023–24.

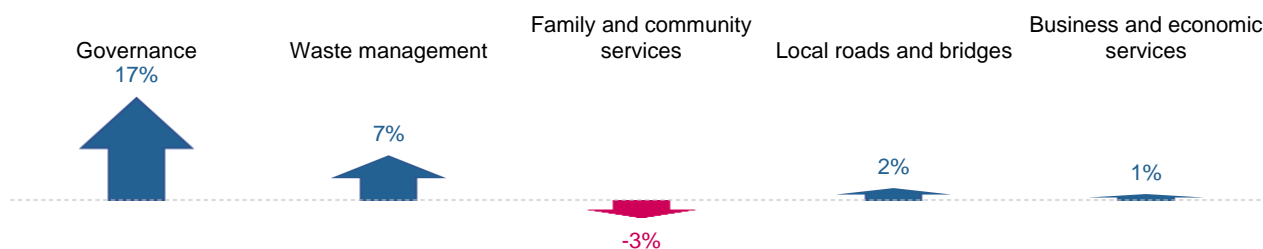
Renewal and upgrade expenditure was below the amount of depreciation (the decline in value of council's assets caused by age and use) in 2020–21 and 2022–23, and above 100 per cent of depreciation in 2021–23 and 2023–24. This spending was forecast to remain above the amount of depreciation in 2024–25 and 2025–26.

Which service areas is council spending its money in?

Expenditure by function (2023–24 \$m and % of total services expenditure)

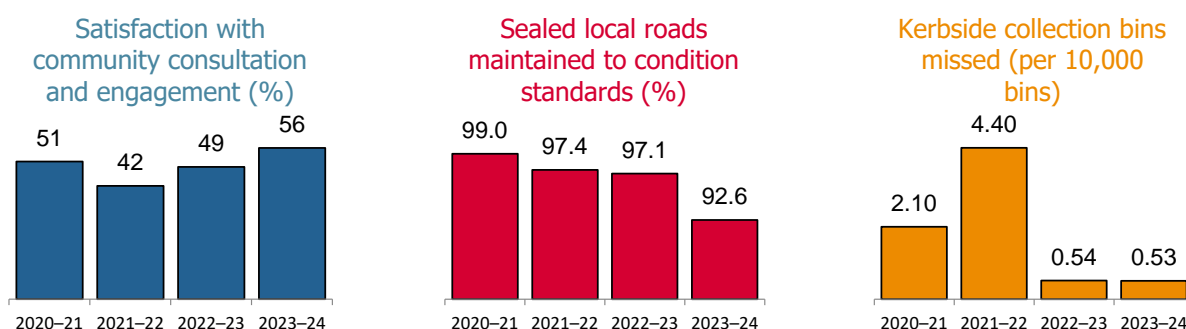
	2020–21	2021–22	2022–23	2023–24
	\$m	\$m	\$m	\$m
Aged and disabled services	0.8 (1%)	0.7 (1%)	0.7 (1%)	0.6 (1%)
Business and economic services	15.6 (18%)	15.4 (17%)	13.8 (14%)	16.1 (16%)
Environment	2.0 (2%)	1.5 (2%)	1.5 (2%)	2.0 (2%)
Family and community services	6.4 (7%)	6.3 (7%)	5.4 (6%)	5.8 (6%)
Governance	12.5 (14%)	14.0 (16%)	22.8 (23%)	20.0 (20%)
Local roads and bridges	27.3 (31%)	28.8 (32%)	30.6 (31%)	28.8 (29%)
Recreation and culture	13.8 (16%)	12.9 (14%)	13.5 (14%)	14.2 (14%)
Traffic and street management	2.9 (3%)	2.9 (3%)	2.7 (3%)	3.2 (3%)
Waste management	6.2 (7%)	7.4 (8%)	7.0 (7%)	7.6 (8%)
Other	0.0 (0%)	0.0 (0%)	0.0 (0%)	0.0 (0%)
Total	87.4	90.1	98.2	98.4

Which service areas have experienced the biggest changes in spending?



Source: Victorian Local Government Grants Commission (unaudited). Average annual change between 2020–21 and 2023–24. Excludes small service areas (<5% of expenditure). Council Annual Reports may provide further explanation of these changes.

Has there been a change in service quality and community satisfaction?

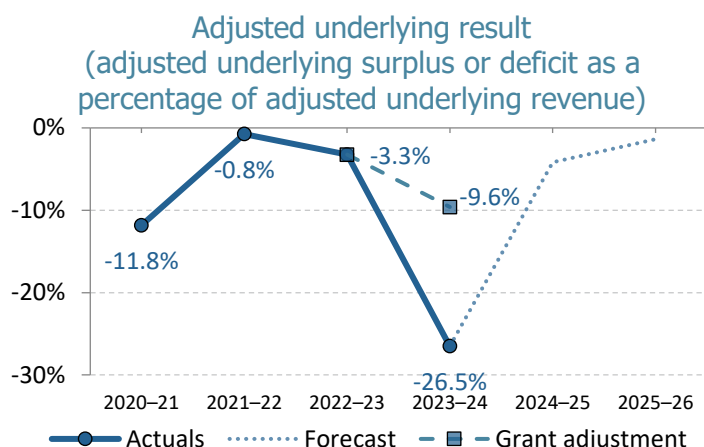


Financial position



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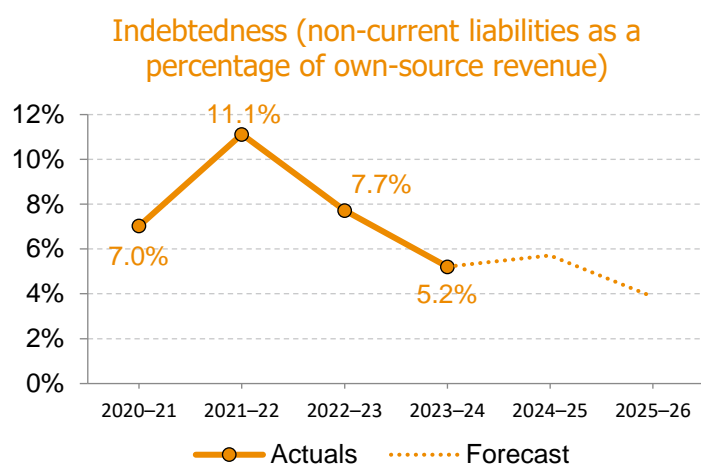
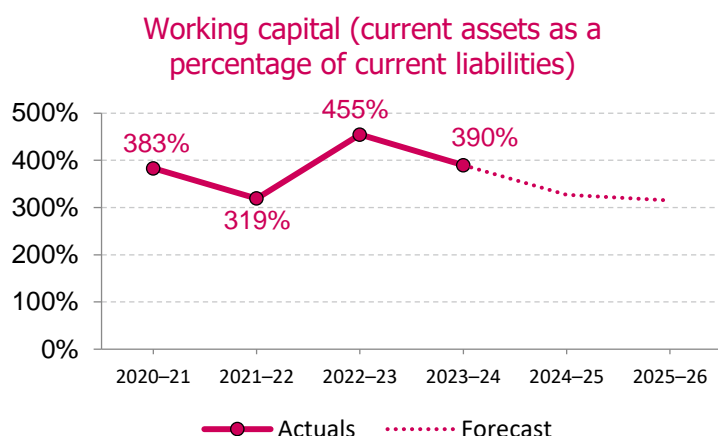
Is council operating sustainably?



Between 2020–21 and 2023–24, Campaspe Shire Council reported an average **adjusted underlying result** of **-10.6 per cent**. The average result would have been **-6.4 per cent**, if the timing of the financial assistance grants payment in 2023–24 was consistent with previous years.

An ongoing negative result, or deficit, suggests that, without the receipt of one-off grants or an increase in ongoing revenue, the council may not have sufficient revenue to fund the range and level of services it has been providing.

Council could meet its current financial obligations with a reported average **working capital ratio** of **387 per cent** between 2020–21 and 2023–24.



Between 2020–21 and 2023–24, council reported an average **indebtedness ratio** of **7.8 per cent**. The lower the percentage, the greater a council's ability to repay debt from revenue it controls.

Note: The year-on-year changes in the financial indicators can be affected by the timing of financial assistance grant payments. We have estimated the impact of a change in the timing of these payments for the 2023–24 adjusted underlying result. Please see the reader's guide for more information.