

Whittlesea 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.

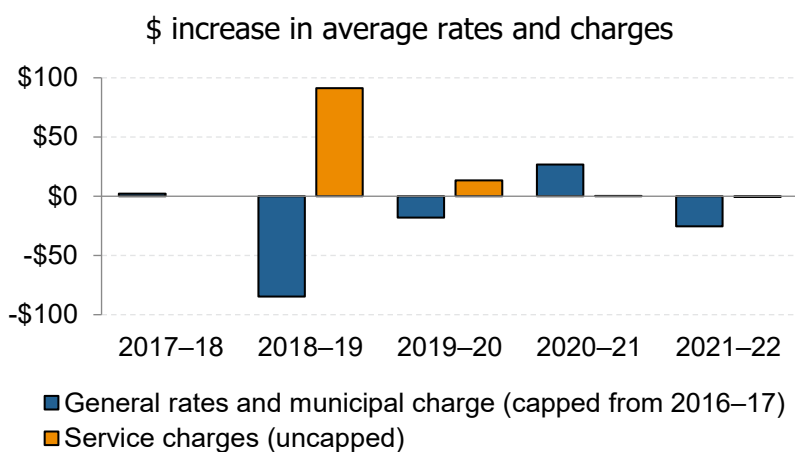


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Key facts	
Population (June 2021):	231,799
Size (km ²):	490
Length of local roads (km):	1,385
Population per km of roads:	167
Council employees (FTE, 2021–22):	820
Higher cap approved for any year between 2016–17 and 2021–22	No

Rates

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



Year	Average rates and charges	Applicable rate cap
2016–17	\$1,821	2.50%
2017–18	\$1,823	2.00%
2018–19	\$1,829	2.25%
2019–20	\$1,825	2.50%
2020–21	\$1,852	2.00%
2021–22	\$1,826	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

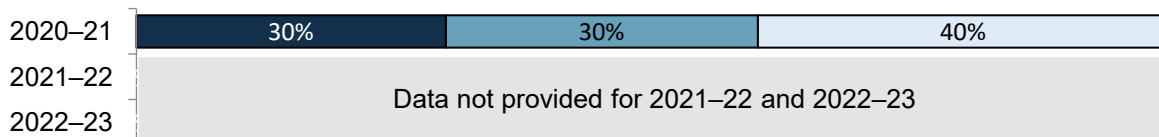
Did rates change for different ratepayers?

Council's rating strategy 2022–23

Council applies 2 differential rates for different types of property 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
	92% of ratepayers in 2021–22	3% of ratepayers in 2021–22	5% of ratepayers in 2021–22	<1% of ratepayers in 2021–22
	\$147.4m (83%) of rates and charges revenue in 2021–22	\$17.3m (10%) of rates and charges revenue in 2021–22	\$11.9m (7%) of rates and charges revenue in 2021–22	\$1.1m (1%) of rates and charges revenue in 2021–22
	0.6% average annual change between 2018–19 and 2021–22	-2.5% average annual change between 2018–19 and 2021–22	-12.8% average annual change between 2018–19 and 2021–22	83.6% average annual change between 2018–19 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?

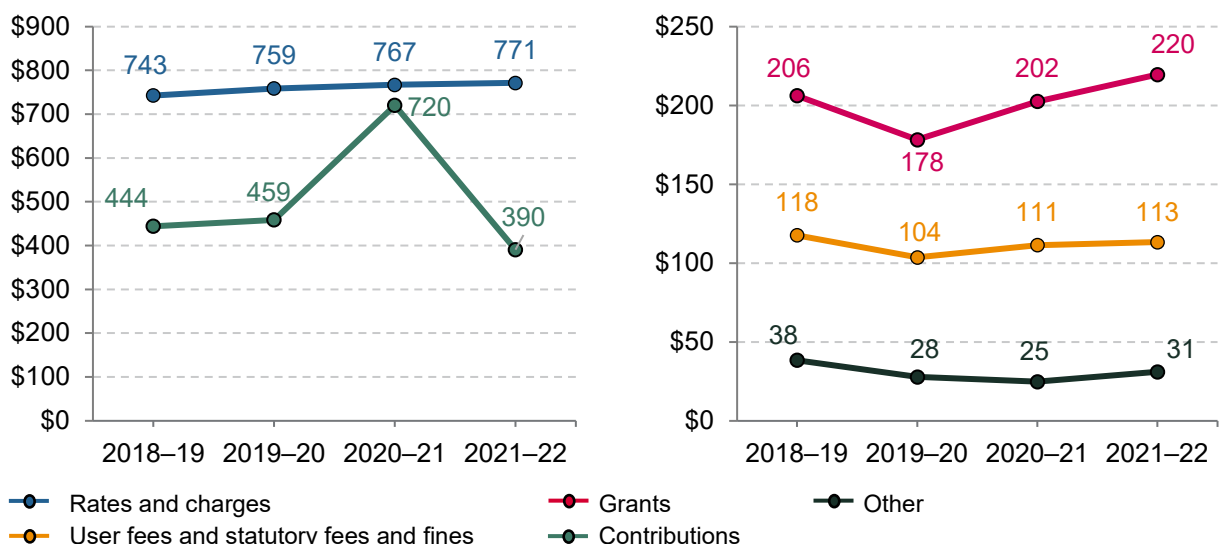
Revenue (2021–22 \$m and % of total revenue)

	2018–19		2019–20		2020–21		2021–22	
	\$m	%	\$m	%	\$m	%	\$m	%
Rates and charges	163.7	(48%)	171.3	(50%)	176.9	(42%)	178.8	(51%)
User fees and statutory fees and fines	25.9	(8%)	23.4	(7%)	25.7	(6%)	26.3	(7%)
Grants	45.4	(13%)	40.2	(12%)	46.7	(11%)	50.9	(14%)
Contributions	97.9	(29%)	103.6	(30%)	166.1	(39%)	90.5	(26%)
Other	8.5	(2%)	6.3	(2%)	5.7	(1%)	7.2	(2%)
Total	341.5		344.8		421.2		353.6	

Whittlesea City Council's total revenue increased in real terms between 2018–19 and 2020–21 and dropped in 2021–22. The largest change occurred in 2021–22 as revenue from contributions decreased, and in 2020–21 as revenue from contributions increased.

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 rates and charges, and grants increased between 2018–19 and 2021–22. This compares with a downward trend in revenue per person from user fees and statutory fees and fines and 'other' revenue. Contributions per person peaked in 2020–21, before falling 2021–22.

Expenditure



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

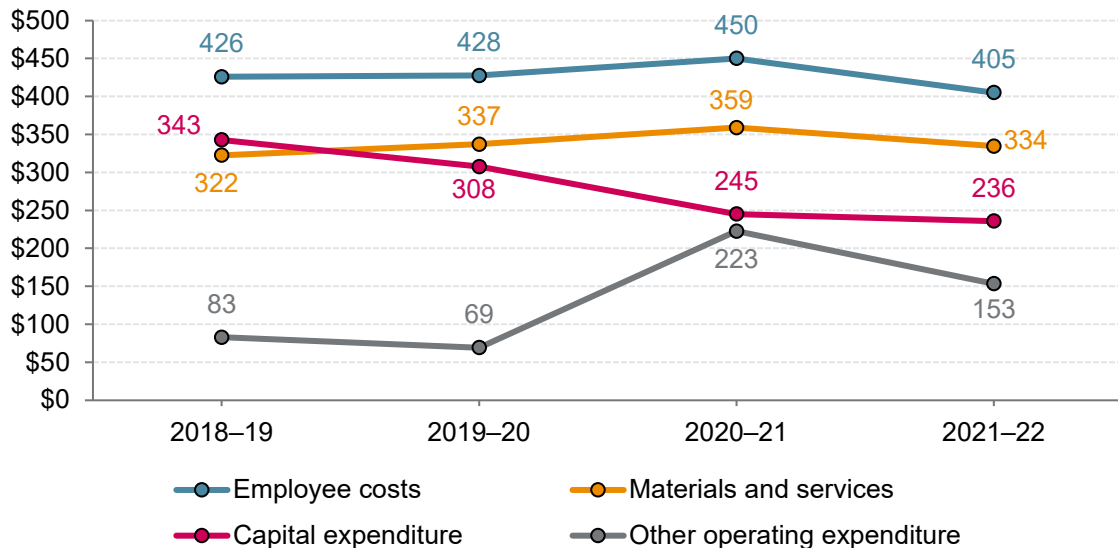
Expenditure (2021–22 \$m and % of total expenditure)

	2018–19		2019–20		2020–21		2021–22	
	\$m	%	\$m	%	\$m	%	\$m	%
Operating expenditure	183.2	(71%)	188.3	(73%)	238.0	(81%)	207.0	(79%)
Employee costs	93.9	(36%)	96.5	(37%)	103.9	(35%)	93.9	(36%)
Materials and services	71.1	(27%)	76.1	(30%)	82.8	(28%)	77.5	(30%)
Other operating expenditure	18.3	(7%)	15.6	(6%)	51.4	(17%)	35.6	(14%)
Capital expenditure	75.6	(29%)	69.5	(27%)	56.5	(19%)	54.7	(21%)
Total	258.8		257.7		294.5		261.6	

Whittlesea City Council's total expenditure fluctuated in real terms between 2018–19 and 2021–22. This reflected changes in 'other operating expenditure' and capital expenditure.

Employee costs 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 capital expenditure decreased between 2018–19 and 2021–22. This compares with an upward trend in expenditure on materials and services and 'other operating 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)

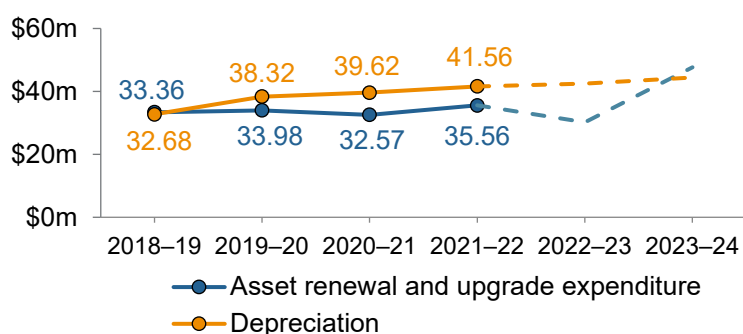
	2018–19		2019–20		2020–21		2021–22	
	\$m		\$m		\$m		\$m	
Renewal	19.8	(26%)	17.7	(26%)	20.6	(36%)	23.5	(43%)
Upgrade	13.5	(18%)	16.3	(23%)	11.9	(21%)	12.1	(22%)
Expansion	0.3	(0%)	0.1	(0%)	0.2	(0%)	0.3	(0%)
New	41.9	(55%)	35.4	(51%)	23.8	(42%)	18.8	(34%)
Total	75.6		69.5		56.5		54.7	

Whittlesea City Council's spending on new assets trended downwards in real terms between 2018–19 and 2021–22. New assets accounted for the highest share of capital expenditure over this period (47 per cent).

Council's spending on asset renewal increased in real terms between 2018–19 and 2021–22, while spending on asset upgrades 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	102%
2019–20	89%
2020–21	82%
2021–22	86%
2022–23	71% (forecast data)
2023–24	107% (forecast data)

Council's spending on renewing and upgrading assets trended upwards in real terms, despite fluctuating between 2018–19 and 2021–22. 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 continue to be below the amount of depreciation in 2022–23, before increasing in 2023–24.

Services



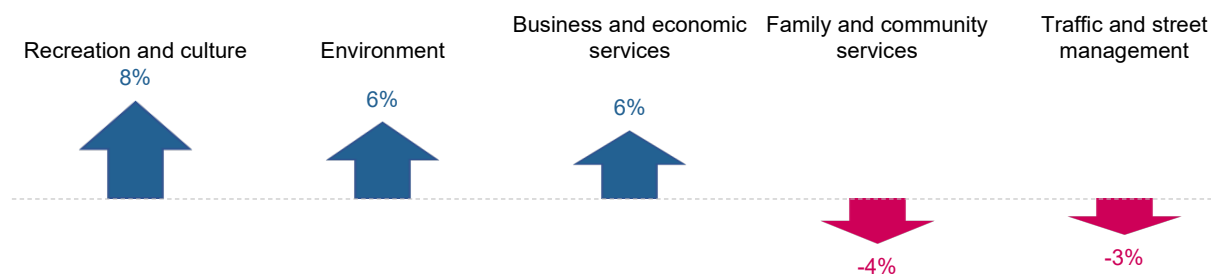
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Which service areas did council spend its money on?

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

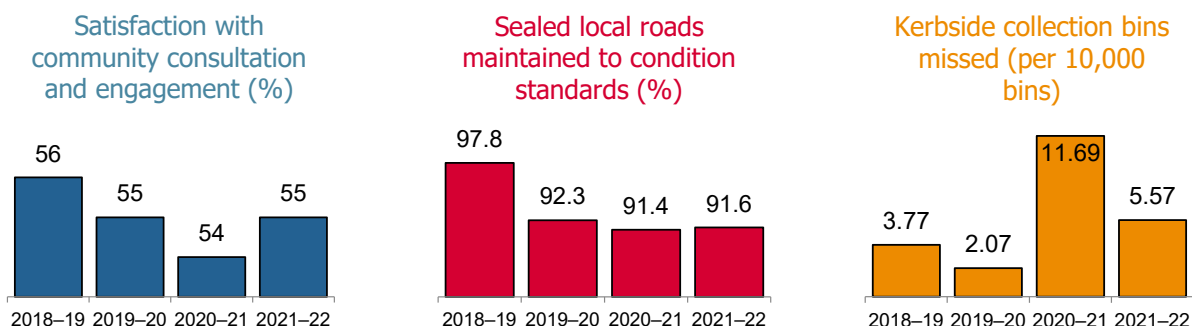
	2018–19	2019–20	2020–21	2021–22
	\$m	\$m	\$m	\$m
Aged and disabled services	13.3 (6%)	11.8 (5%)	14.9 (6%)	13.2 (6%)
Business and economic services	22.8 (11%)	23.8 (10%)	31.8 (13%)	26.9 (12%)
Environment	10.7 (5%)	10.9 (5%)	12.3 (5%)	12.9 (6%)
Family and community services	20.4 (9%)	20.0 (9%)	21.0 (8%)	18.2 (8%)
Governance	45.0 (21%)	50.8 (22%)	52.6 (21%)	47.4 (20%)
Local roads and bridges	21.8 (10%)	21.6 (10%)	22.2 (9%)	22.1 (10%)
Recreation and culture	37.8 (17%)	44.1 (19%)	46.0 (18%)	47.8 (21%)
Traffic and street management	24.9 (11%)	23.0 (10%)	32.8 (13%)	22.7 (10%)
Waste management	19.4 (9%)	20.7 (9%)	20.5 (8%)	20.2 (9%)
Other	0.3 (0%)	0.3 (0%)	0.0 (0%)	0.0 (0%)
Total	216.4	226.9	254.1	231.6

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?

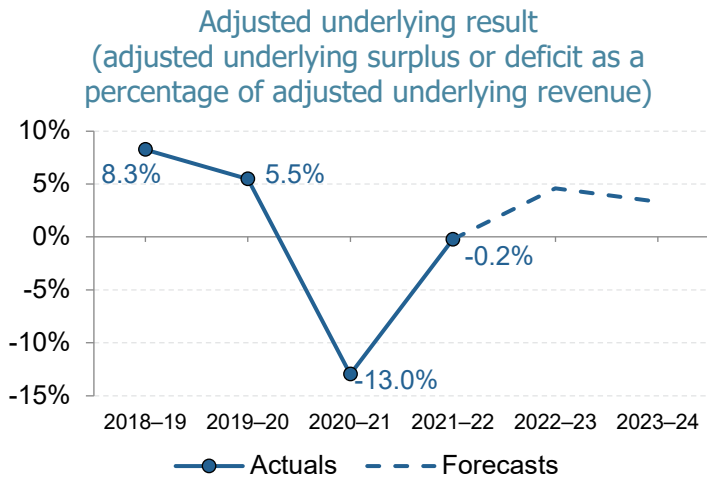


Financial position

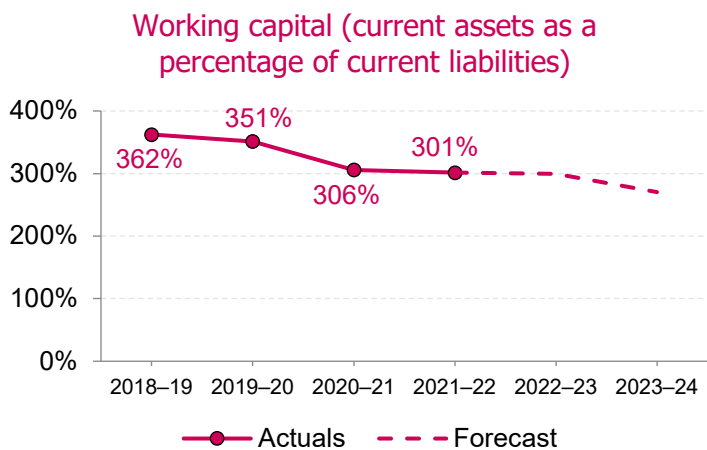


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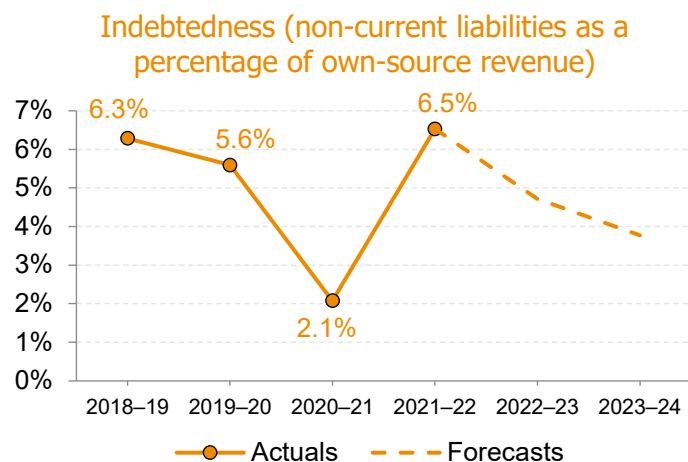
Did council operate sustainably?



Between 2018–19 and 2021–22, Whittlesea City Council reported an average **adjusted underlying result** of 0.1 per cent. An ongoing positive result suggests ongoing revenue can fund the current level of service provision.



Council could meet its current financial obligations with a reported average **working capital ratio** of 330 per cent between 2018–19 and 2021–22.



Between 2018–19 and 2021–22, council reported an average **indebtedness ratio** of 5.1 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.