

Financial Indicator Analysis

The table below provides the Fit for the Future indicators with no Special Rate Variation (SRV) and with the proposed SRV

Key Financial Indicators															
Measure		Target		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	
Sustainability	General Fund - Operating Performance Result	Greater than 0% over a three year average	No SRV	-4.0%	-5.8%	-6.8%	-6.3%	-5.0%	-3.6%	-2.2%	-0.9%	0.3%	1.5%	3.0%	
			SRV 13.2% 2017/18 & 14% 2018/19	-4.0%	-4.3%	-2.5%	0.6%	3.0%	4.3%	5.5%	6.6%	7.7%	8.8%	10.0%	
	General Fund - Own Source Revenue Result	Greater than 60% over a 3 year average	No SRV	77.7%	79.7%	83.4%	87.6%	88.2%	88.7%	88.9%	89.0%	89.2%	89.3%	89.4%	
			SRV 13.2% 2017/18 & 14% 2018/19	77.7%	80.0%	84.1%	88.5%	89.2%	89.6%	89.8%	90.0%	90.1%	90.2%	90.3%	
	General Fund - Building And Infrastructure Asset Renewal Result	Greater than 100% over a three year average	No SRV	59.4%	55.3%	57.3%	55.0%	54.2%	51.0%	52.8%	53.4%	55.7%	55.3%	56.5%	
			SRV 13.2% 2017/18 & 14% 2018/19	59.4%	59.5%	72.1%	79.2%	82.0%	76.9%	77.9%	80.2%	82.9%	84.5%	87.2%	
Effective Infrastructure and Service Management	General Fund - Infrastructure Backlog Result	Less than 2%	No SRV	3.3%	3.5%	3.6%	3.8%	4.0%	4.3%	4.5%	4.8%	5.1%	5.5%	5.9%	
			SRV 13.2% 2017/18 & 14% 2018/19	3.3%	3.4%	3.2%	3.1%	3.0%	2.8%	2.7%	2.5%	2.2%	1.8%	1.4%	
	General Fund - Asset Maintenance Result	Greater than 100% over a three year average	No SRV	84.8%	85.5%	87.9%	88.2%	88.5%	88.8%	89.1%	89.4%	89.7%	89.7%	89.6%	
			SRV 13.2% 2017/18 & 14% 2018/19	84.8%	86.7%	91.0%	93.5%	95.0%	96.0%	97.0%	98.0%	98.9%	99.6%	100.1%	
	General Fund - Debt Service Result	Greater than 0 and less than or equal to 20% over a three year average	No SRV	6.1%	5.8%	5.9%	5.3%	5.7%	5.8%	5.8%	5.4%	5.2%	4.8%	4.4%	
			SRV 13.2% 2017/18 & 14% 2018/19	6.1%	5.7%	5.7%	4.9%	5.3%	5.4%	5.3%	5.0%	4.8%	4.5%	4.1%	
Efficiency	General Fund - Real Operating Expenditure Per Capita Result	A decrease in Real Operating Expenditure per capita over time	No SRV	1,522	1,420	1,395	1,371	1,346	1,320	1,294	1,268	1,243	1,216	1,187	
			SRV 13.2% 2017/18 & 14% 2018/19	1,522	1,428	1,409	1,386	1,363	1,337	1,312	1,287	1,263	1,237	1,209	

Operating Performance Result

Without the proposed SRV this indicator fails to achieve the target of greater than 0% over a three year average.

With the proposed SRV the organisation can achieve this target in 2019/20.

Own Source Revenue Result

Council has maintained a strong own source revenue for many years. This is forecast to continue under both scenarios with a slight improvement with the SRV. The additional revenue from the increased in fees and charges will also assist this indicator.

Building and Infrastructure Asset Renewal Result

This indicator does not reach the target over the forecast period. Without the SRV the result only reaches 42.3% at the end of the period.

The result sees significant improvement with the SRV reaching 87.2% at the end of the 10 years from a starting point of 59.4%. This is an increase of over nearly 50% in the 10 year forecast period. Without the SRV the result is far weaker and in fact declining over the 10 year forecast period with a forecast result of just 56.5% in 2026/27.

Infrastructure Backlog Result

Council's infrastructure backlog result shows considerable improvement with the proposed SRV resulting in a 1.4% result in 2026/27. Without the SRV the result is far less favourable at -5.9% at the same period.

Asset Maintenance Result

The Asset Maintenance Result is strong in the forecast period with the indicator reaching 100.1% in 2026/27. With no SRV the result is 89.6% at the same period.

Debt Service Result

Council has a low debt service result which indicates an opportunity to take out more loans. The issue faced by Council is finding the funds to repay any loans given its ongoing financial position. This opportunity will open up to Council in future years as it becomes more sustainable and it addresses its underlying financial deficits.

Real Operating Expenditure Per Capita Over Time

This indicator shows a slight decrease year on year with the SRV in line with the measure.

Overall Result

The mandatory indicator of Operating Performance Result meets the target date of 2020. Overall the SRV proposal significantly assists the Council to achieve all KPI's by 2026/27 with the exception of the renewals indicator which is trending strongly in the right direction.