

## 2023/24 Draft Budget Survey Results

FinPro has received a number of queries about what rate increases Councils are proposing for the 2023/24 financial year. In order to be able to respond in an informed way we prepared a survey which we circulated to the most senior person at each council.

Thank you to the 49 councils that responded to the survey during this busy time of year, and within a tight 48-hour timeframe.

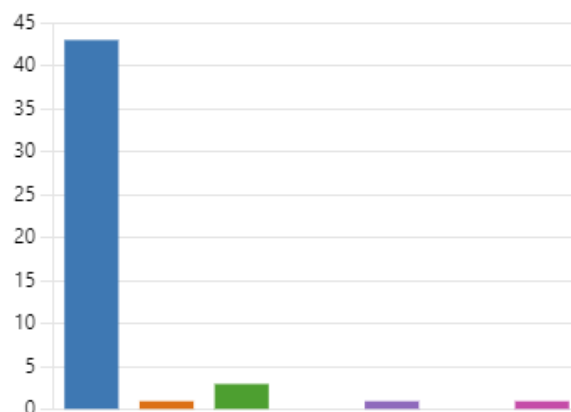
We are now able to provide the following observations:

Spilt of Council type in survey responses:

<span style="color: blue;">●</span> Metro	12
<span style="color: orange;">●</span> Interface	5
<span style="color: green;">●</span> Regional City	7
<span style="color: red;">●</span> Large Rural	12
<span style="color: purple;">●</span> Small Rural	13

43 (88% of respondents) of Councils that responded propose to increase rates at the State Government rate cap of 3.50%.

<span style="color: blue;">●</span> 3.5% (rate cap)	43
<span style="color: orange;">●</span> Between 3.01% and 3.50%	1
<span style="color: green;">●</span> Between 2.51% and 3.00%	3
<span style="color: red;">●</span> Between 2.01% and 2.50%	0
<span style="color: purple;">●</span> Between 0.01% and 2.00%	1
<span style="color: brown;">●</span> Looking to apply for a rate varia...	0
<span style="color: pink;">●</span> 0.00%	1



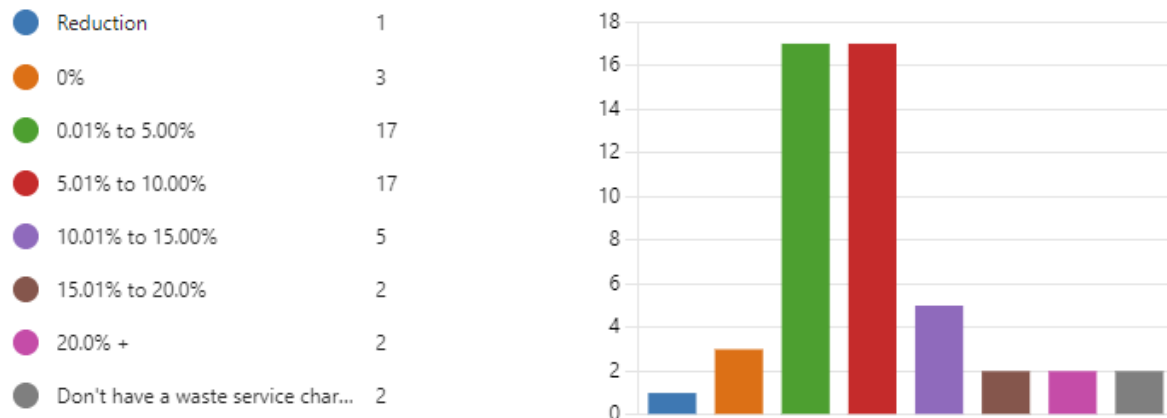
Of the 6 councils not proposing to raise rates by the rate cap, 2 were small rural, 2 were metropolitan councils, one was a regional city, and one was a large rural. All of these Councils were proposing to offer a lower rate increase and were not applying the full rate nor using a rebate or a waiver, meaning that this reduction in the rate rise will have a long-term, cumulative impact.

Five Councils were considering some additional rebate or hardship package, however in the majority of cases these were tied to additional rebates for eligible concession card holders or similar.

In relation to proposed borrowings:

- 12 councils are proposing borrowings at a higher level than expected 12 months ago.
- 25 councils are not proposing borrowings.
- 12 councils are proposing borrowings but at a lower level than expected 12 months ago.

Waste charge increases (or reduction) were mixed; however 34 Council (70% of responses) are proposing waste charges increase of between 0.01% and 10%.



3 small rural councils were proposing no increase, with one metro proposing a reduction. Of the Councils proposing increases above 10% there was 3 metros, 2 large rural, 2 interface, and 2 small rural.

**Prepared by Local Government Finance Professions Inc. (FinPro)**

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