



The Flinders
Ranges Council

THE FLINDERS RANGES COUNCIL

ANNUAL BUSINESS PLAN 2026-2027

As Adopted
06 August 2026
Version 05.01

Introduction

The Flinders Ranges Council Annual Business Plan sets out the services, programs and capital expenditure for 2026-2027 financial year. The Council's objective is to provide programs and services for the community and to progress the achievement of the goals and objectives of The Flinders Ranges Council Strategic Management Plan, which includes the Infrastructure and Asset Management Plan and the Long-Term Financial Plan.

Section 8(k) of the *Local Government Act 1999* states that councils must act to ensure the sustainability of the council's long-term financial performance and position. An independent assessment of council's sustainability in 2010 reported that council was required to increase its rates income by 50% over and above inflation to be sustainable. This requirement by law to be sustainable is the basis for Council's decision to increase rates by above the consumer price index in prior years.

The Annual Business Plan, and the resulting current year budget, focus on ensuring the long-term sustainability of Council's financial performance and maintain or replace infrastructure or operating assets according to approved life cycle statements. Council's policy making decisions are aimed at maintaining and enhancing public assets for the benefit of the community and managing infrastructure to deliver the programs and services required by the community within a financial framework the community can reasonably afford.

The Annual Business Plan also recognises the cost of delivering programs and services imposed on Council by the State Government through legislation, regulation and other mechanisms. These programs and services include (but not limited to) waste management, development control, native vegetation and public health. The State Government has also imposed substantial additional costs by increasing Council's compliance and reporting costs.

The cost of providing programs, services, infrastructure and community assets is funded on a full cost attribution basis which allocates overhead and other indirect costs to the program or service that generated those costs and required resources.

Council has developed a Long-Term Financial Plan and Infrastructure and Asset Management Plans as part of Council's Strategic Management Plan suite, which will help guide sustainable decisions into the future. Further, the Community Plan 2023-2033 has been strongly used to make decisions regarding this Annual Business Plan.

Programs and services in the Annual Business Plan may be amended or deleted by Council from time to time, due to the resourcing needs and the capacity of the community to pay for those services and programs and the effects of external events outside Council's control. New legislation by the State Government frequently imposes new requirements on local government without any resourcing or funding to offset the increased costs.

Significant Influences and Priorities

Several significant factors have influenced the preparation of Council's Annual Business Plan 2026-2027. These include:

- Consumer Price Index increases on relevant goods and services of 4.9% (March 2026) [3.3% (December 2025)].
- Historically, Council's auditors had identified that Council was not operating in a long-term financially sustainable manner and that an improvement to its operating position was required. Over a number of years, Council has proactively moved towards this goal and whilst considerable positive progress has been made, as evidenced in the Annual Financial Statements in recent years, Council continues to move forward with long term financial sustainability in mind.
- Council's enterprise bargaining agreement wage and salary increases, and National Wage Case increases.
- The effects of Climate change in the region and the increase in frequency of flood events.
- Requirements to maintain and improve infrastructure assets to acceptable standards including roads, footpaths, lighting, storm water drainage, street trees and plantings, open space and Council properties.

- Service and infrastructure needs for a changing population.
- A requirement to address economic development and business investment through an upgrade of community services and infrastructure.
- Commitments to continuing projects and partnership agreements with State and Regional organisations, adjoining Councils involved in shared service delivery and the construction works being undertaken under the much-appreciated Roads to Recovery program funded by Commonwealth Government.
- New fees/charges imposed by governments, regional state authorities and state agencies on the wider community as an element of rates payable or a user charge.
- Maintenance of surplus assets retained at the community's request.
- The increased expectation of detailed public consultation on all activities of Council.
- New legislation imposed by State Government with no corresponding resources provided.
- Local Government Advice (February 2025) provided by the Essential Services Commission of South Australia (ESCOSA)
- The January and February 2026 Flood Events (multiple) which had a significant impact on Council's road and associated infrastructure assets

In response to these factors, and to minimise the burden on ratepayers, the Annual Business Plan has been prepared within the following guidelines:

- The Annual Business Plan will result in the total revenue raised through general rates increasing by an average of 4.95% per rateable property above last year's rates (see Rating Policy included as Attachment 2)
- Consideration given to major projects including those partnered with other entities i.e., Federal, State, community.
- Maintenance of program and service levels for continuing Council programs and services
- Shared service opportunities with governmental agencies and other local government authorities
- The application for grants for existing programs, services and infrastructure
- Working with Community Corrections and Work Placement volunteers
- Working with community groups and sporting clubs to provide and maintain public facilities.

The multiple January and February 2026 Flood Events referenced above will be the most significant infrastructure challenge that this Council has ever faced. With estimates of damage and repair works to this strategically important infrastructure currently around \$19m, Council will, with total operating revenue of \$6.6m, need significant external financial disaster recovery support. Whilst it is anticipated that this may be in the vicinity of 90-95 per cent of the damage cost, it is still to be confirmed and committed by Government.

In light of this uncertainty, Council has not included within the Annual Business Plan, Budget and Long-Term Financial Plan, any specific income or expenditure amounts for the damage repairs at this time.

Once the estimates are finalised and the level of Government support and disaster recovery funding confirmed and committed, Council will review the situation and consider the associated financial impacts, including the level of Council contribution required, and the means of financing or funding said contribution, over the coming 2-3 financial years, and make any associated amendments and adjustments to its Budget that will be required.

Continuing Services

All Councils have basic responsibilities under the *Local Government Act 1999*. In total, Local Government has 64 Acts of State and Federal legislation which it is required to consider. Approximately 50% of these are applicable to The Flinders Ranges Council. By way of example some of these various Acts influence or control:

- Governance activities e.g. maintaining the voters roll and supporting the elected Council.
- Preparing a Strategic Management Plan, a Long-Term Financial Plan, an Infrastructure and Asset Management Plan, an Annual Business Plan, an Annual Budget, setting rates and service charges, collecting levies for external State agencies.
- Management of basic infrastructure including roads, footpaths, parks, public open space and storm-water drainage.
- Development planning and control, including building fire safety assessment.
- Dog and cat management.
- Public and environmental health services, planning & safety of food premises.
- Work health and safety standards and guidelines.
- Waste management.
- Natural resources management & Native vegetation.
- Cemeteries.
- Community wastewater management systems (CWMS) and reporting to various agencies.
- Community lands.
- Fire prevention & emergency management.

In response to community needs and aspirations the Council also provides further services and programs including:

- Library services
- Swimming pools
- Ovals and other sporting infrastructure
- Community centres/halls
- Economic development
- Tourism services (Visitor Information Centre)
- Environmental programs
- Park management
- Community support (e.g., Community buses)
- Industry support programs
- Youth programs.
- Street and public space lighting
- Corella control
- Flora parks & reserves

Council operates a number of these programs and services on a subsidised fee basis. These provide important community benefits while also generating minimal revenue for programs and services of benefit to the community. Council seeks to be responsive to the changing needs of the community and the impact of external factors such as State Government legislative changes. Community consultation is undertaken periodically to check levels of satisfaction and areas for improvement.

How does Council determine what services it will provide?

Council's suite of Strategic Management Plans outlines the longer-term objectives and priorities for the Council region. These Plans plus this Annual Business Plan determine the infrastructure needs and services Council will provide including the costs required to deliver these services. Council consults the community widely during the formulation of these plans.

Council adopted its Community Plan 2023-2033 in November 2023. This Community Plan has been considered in the formulation of the Annual Business Plan.

From the Community Plan 2023 – 2033:

Our Vision

Our community shares a deep respect for the Flinders Ranges region, history and people, and a commitment to its social, economic and environmental sustainability for both current and future generations. Together the people and places that comprise the Flinders Ranges community make this a great place to live, raise a family, conduct business, visit and stay a while.

Our Mission

To support the ongoing development of the Flinders Ranges as a secure, sustainable & vibrant community by:

- Demonstrating leadership while consulting with our community.
- Advocating for the retention and enhancement of essential services.
- Acting for the preservation of the unique and natural state of the Flinders Ranges for current and future generations.
- Providing quality services and infrastructure whilst demonstrating fiscal responsibility in our decision making.
- Encouraging sustainable economic development and tourism in support of a growing population and opportunities for all.

Community Priorities

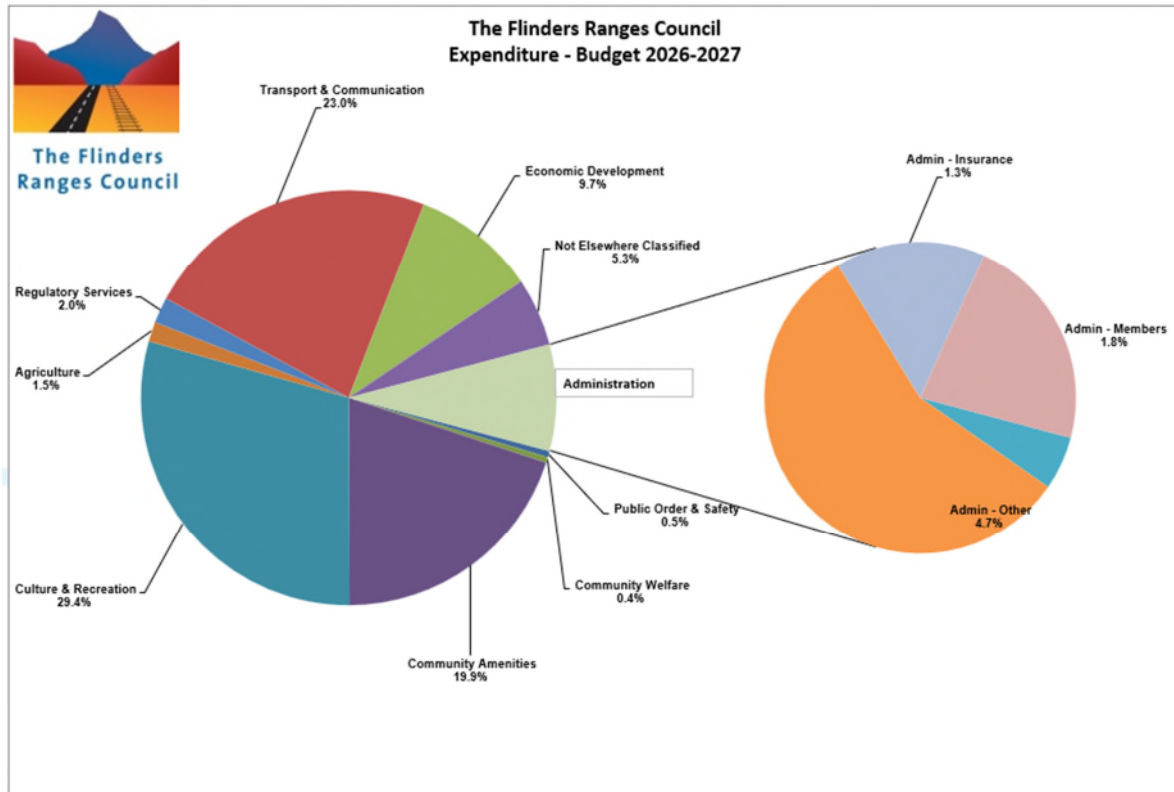
- Preserving the unique and natural state of the Flinders Ranges region including the cultural and built environment
- An economically sustainability and vibrant community
- Provision of a high standard of services and infrastructure to the community

Four Pillars of the Plan

1. Lead – Demonstrate leadership through advocacy and engagement with our community.
2. Protect – Protect our environment and natural heritage for current and future generations.
3. Service – Provide quality services and infrastructure whilst demonstrating fiscal responsibility in our decision making.
4. Enhance – Encourage economic development and a growing population.

Council Services and Annual Business Activities for 2026-2027

Council expenditure for the 2026-2027 Budget and for the Long-Term Financial Plan 2026-2036 is determined by the above strategic objectives. This Annual Business Plan prioritises the strategic objectives for the ensuing year and beyond in the Long-Term Financial Plan. The following summarises the expenditure.



Transport

Council maintains a road network with a total length of 1,263 kilometres. Council undertakes road maintenance works to ensure traffic and user safety, and to sustain the serviceability of the road and associated signs and facilities. Including, flood repairs, footpath maintenance, patrol grading, road re-sheeting and the sealing of unsealed town streets.

Council also provides safe pedestrian footpaths, cycleways and maintains the aerodromes at Hawker and Quorn.

Culture & Recreation

This activity includes public conveniences, playgrounds, swimming pools and recreational facilities, town and community halls, parks and gardens, cemeteries, library funding, emergency management, camping areas and walking trails for residents and visitors.

Community Welfare & Amenities

Provision and management of waste collection and disposal services, street litter bins, weed control in public places, maintaining community wastewater management systems, youth support, and community buses.

Governance

Achieving the goals and objectives of the Community Plan is driven by good governance using open and transparent processes and accountability to the community. Governance includes monitoring performance of the organisation, compliance with continually changing legislation imposing more cost on Council, ensuring appropriate risk management procedures and processes are implemented and actioned, providing a safe workplace compliant with work health and safety obligations and responsibilities, continuing strategic alliances with external bodies, and supporting the role of the Elected Members in representing and informing their community. Media and communication include newsletters, website and social media. Public consultation processes. Community feedback mechanisms. Legislative reporting.

Administration

Includes customer service, rates, payroll, debtors, creditors, treasury management, website maintenance, monitoring organisational functionality, achieving work health and safety objectives and risk management minimisation programs, asset and infrastructure management, grants.

Regulatory Services

The activities associated with building control, development plan compliance, food and food premises hygiene, public & environmental health, drinking water testing, swimming pool inspections, parking, litter, building and fire safety, dog and cat management & control.

Community Services and Health

Fire Prevention Officer, fire breaks, ongoing vandalism repairs, support for SES and CFS, Immunisations. Support of aged care and support services.

Economic Development and Tourism

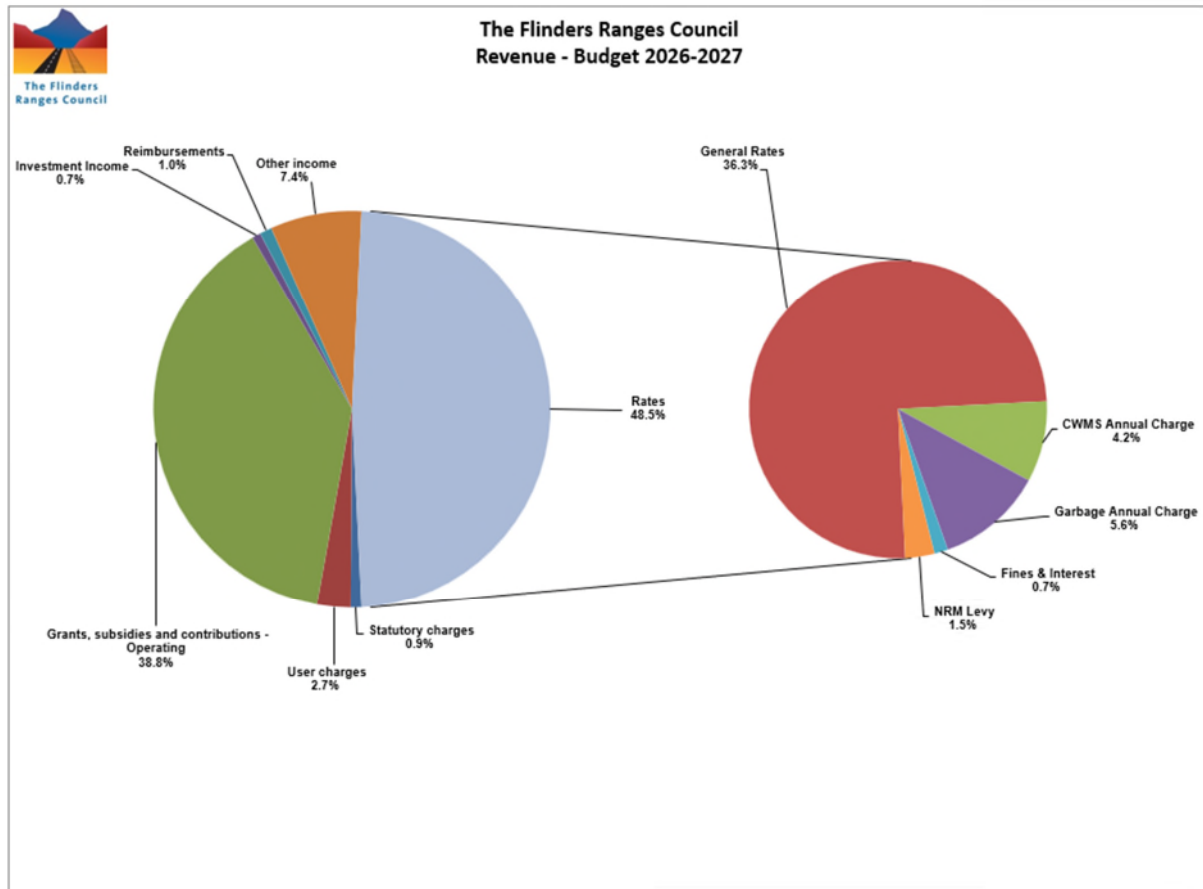
Tourism activities such as the Flinders Ranges Visitor Information Centre, contribution towards Tourism and Economic Development through Regional Development Australia Far North. Support for Pichi Richi Railway Preservation Society. Grant applications. Marketing the council region to prospective investors, businesses and residents. Seeking employment opportunities for residents. Supporting the film industry.

Listed below are some of the significant undertakings for the 2026-2027 financial year (not in any order of priority):

- | | | | |
|--------------|------------------------------|-------------|-----------------------------|
| • \$435,500 | Roads to Recovery Works | • \$ 50,000 | Hawker Institute Repairs |
| • \$425,000 | Unsealed Road Construction | • \$ 40,000 | Vehicle Replacement |
| • \$100,000 | Road Resealing (R2R) | • \$ 40,000 | Tree Removal |
| • \$300,000 | Patrol Grading | • \$ 25,000 | Local Area Plans (Dev Plan) |
| • \$240,000* | Changing Places Toilet | • \$ 25,000 | Quorn Oval Asset Mtce |
| • \$146,000 | Loan Repayments – Grader | • \$ 25,000 | Quorn School Crossing |
| • \$ 75,000 | Buckaringa Repairs | • \$ 15,000 | Silo Art Projector |
| • \$ 60,000 | PR Marathon | • \$ 10,000 | Waste Cell Flood Plan |
| • \$ 50,000 | Footpath Improvements | • \$ 7,500 | Quorn Craft Shop Bldg Reps |
| • \$ 50,000 | Cemetery(H) Flood Mitigation | | |

NB Some items are also subject to external grant funding being successful (*).

Funding the Annual Business Plan 2026-2027



Council's long term financial sustainability is dependent on ensuring that, on average and over time, its expenses (including capital expenses) are less than its revenue, and its' own revenue raising (i.e. rates) is increased to reduce the reliance on grants and external funding sources.

Council's revenue is sourced from:

- Rates & Landscape Separate Rate – applied on a per property basis calculated on capital value (a **tax**, not a fee for service)
- Annual Service Charges (included under rates in the above chart) – annual service charges for Community Wastewater Management Systems (CWMS) and solid waste management (garbage & recyclables) for properties serviced.
- User Charges – hire of facilities and equipment, waste dumping fees, photocopying, swimming pool fees, recreation fees.
- Statutory Charges and Fees – charges and fees set by legislation and collected by Council for regulatory services such as development and building assessments, dog licensing and control.
- Grants – Council receives financial assistance from the Commonwealth Government under the provisions of the Local Government (Financial Assistance) Act, 1995 for general purpose and road activities, funds under the *Roads to Recovery* program for specific road works, and other grant opportunities accessible by Local Government from time to time.
- Investment Income – Council receives interest on funds deposited in Council's reserves which are mainly held by the Local Government Finance Authority. Council also receives interest from operating accounts held with the National Australia Bank.
- Other Income – Council may receive contributions from community groups to co-fund certain Council projects or activities.
- Reimbursements – Council expenditure on a project, service or activity is fully or partially reimbursed by another organisation.

Capital items such as plant purchases / replacements are funded from either loans or reserves created by budget allocations.

Expected General Rate Income

As part of the Annual Business Plan, Councils are required to provide details regarding the expected revenue from general rates for the coming financial year, in comparison to the amounts that were raised in the previous financial year. Comparatives are required in both dollar and percentage terms. As Council utilises land use as a differentiating factor, the information and comparatives are also required to be provided at a land use level.

Please note that these are based purely on the rates as raised for the previous financial year and are indicative only. Land use changes and relative movements in valuation may also impact on the level of general rates revenue for the year. It is also noted that the formal adoption of valuations and the declaration or striking of general rates does not occur until after the adoption of the Annual Business Plan and Budget.

Based on the proposed 4.95% increase, the following general rates (net of rebates) are expected. (see Appendix 4 for an alternate presentation of this information based on the actual rates following formal declaration).

Land Use	Net Rates	Rates		No of	% total	Average		Expected Rates 2026-2027				
	2025-2026	2024-2025	Assess	Assess	2025-2026	2024-2025		Total \$	Change \$	Average \$	Ave Inc \$	Ave Inc %
Residential	1,069,780.17	1,027,381.14	760	45.8%	1,407.61	\$ 1,353.60		1,122,734.29	52,954.12	1,477.28	69.68	4.95
Commercial - Shop	37,851.02	36,387.00	20	1.2%	1,892.55	\$ 1,819.35		39,724.65	1,873.63	1,986.23	93.68	4.95
Commercial - Office	1,270.20	1,227.60	1	0.1%	1,270.20	\$ 1,227.60		1,333.07	62.87	1,333.07	62.87	4.95
Commercial - Other	117,426.79	111,953.85	49	3.0%	2,396.47	\$ 2,284.77		123,239.42	5,812.63	2,515.09	118.63	4.95
Industry - Light	4,849.76	4,665.50	4	0.2%	1,212.44	\$ 1,166.38		5,089.82	240.06	1,272.46	60.02	4.95
Industry - Other	10,372.29	9,972.33	6	0.4%	1,728.71	\$ 1,662.06		10,885.72	513.43	1,814.29	85.57	4.95
Primary Production	900,675.42	865,311.75	536	32.3%	1,680.36	\$ 1,620.43		945,258.86	44,583.43	1,763.54	83.18	4.95
Vacant Land	152,569.34	149,705.56	256	15.4%	595.97	\$ 582.51		160,121.52	7,562.18	625.47	29.50	4.95
Other	11,008.92	8,185.88	29	1.7%	379.62	\$ 303.18		11,553.86	544.94	398.41	18.79	4.95
TOTAL	2,305,803.91	2,214,790.61	1661	100.0%	1,388.20	\$ 1,336.63		2,419,941.20	114,137.29	1,456.92	68.72	4.95
Total Increase								114,137.29	4.95 per cent			

Regional Landscape Levy (State Government)

Councils are required by the State Government, to collect an amount specified by the Landscape South Australia Act 2019 on all rateable properties. Funds are used to manage natural resources by the South Australian Arid Lands Landscape Board.

Prior to the 2023-2024 financial year, the South Australian Arid Lands Landscape Board declared a levy payable by The Flinders Ranges Council based on capital value which was \$48,116 for the 2023-2024. Following an extensive consultation process, the Board received Parliamentary sign-off to change the basis of the levy as part of its transition process to one of a differential fixed amount dependent on Land Use. The total contribution from this area substantially increased to \$92,535 in 2024-2025 and \$98,780 in 2025/2026. The levy contribution from Council has increased to \$101,799 in 2026-2027.

More information in relation to the levy is included within the 2026-2027 Rating Policy (see Appendix 2) and from the Board's website.

Any queries relating to the Regional Landscape Levy should be directed to:

SA Arid Lands Landscape Board
1 Jervois Street, PORT AUGUSTA SA 5700
P: 08 8429 9666
E: saal.landscapeboard@sa.gov.au

Rating Policy and what it means for Ratepayers

In setting its rates for the 2026-2027 financial year Council considered the impact of the rates to be charged on the well-being of the community. Council will consider during the rate setting process:

- The availability of hardship provisions to rate payers.
- The 2026-2027 rate and fees and charges increase of 4.95%.
- Council's adopted 2023-2033 Community Plan as informed by the Community.
- The movement in the Construction Industry Cost Indices and the Local Government Cost Index, and movement in the Consumer Price Index as an indicator of community economic activity.
- The Long-Term Financial Plan 2026-2036 developed as part of the Strategic Management suite of documents.
- The current economic climate, as reported by various public bodies, in which major factors are low inflation, higher commodity prices and limited local employment opportunities.
- The need to ensure that appropriate provisions are made for long service leave, annual leave and similar mandated employment costs.
- That reserves are created for the future replacement of infrastructure and the charges for use of the infrastructure to reflect inter generation use of the infrastructure.
- The impact of rates on the community, including but not limited to:
 - The need to distribute the rate burden equitably between ratepayers;
 - The distribution of the benefits received from the services that are provided by Council.
 - The minimising of the general rates by levying annual service charges for the provision of Community Wastewater Management System (CWMS) and solid waste management services on a user pays basis where it's possible to recover the full cost of operating the service, with provision for pensioners concession on CWMS to those members of the community who meet the criteria.
- Recommendations from the Rating Discussion Paper presented to Council in February 2026.
- The impact of Government Legislative amendments and the burden of continuous cost shifting by the State Government.
- The specific issues of the community including the need to deliver an ever-increasing range of services across economic, environmental and social functions.
- The need to continue to replace and upgrade infrastructure and other assets including both plant and machinery and the road network.
- The objective of attracting and continuing to attract new residents and the support of business activity to generate economic development.
- Householders, businesses and farmers.
- Employed, unemployed & pensioners.
- Taking into account changes in valuations by the State Valuation Office.
- Climate Change.
- The Local Government Advice provided to Council by the Essential Services Commission of South Australia in February 2025 (see Appendix 5).

The Rating Policy is a separate policy document (see Appendix 2). The Rating Policy 2026-2027 was consulted on concurrently with the Annual Business Plan 2026-2027, however will be formally adopted as part of the annual rates declaration process.

Environmental Stewardship

The unique and attractive natural environment of the Flinders Ranges region is widely renowned, and highly valued by our residents. The significant uptake of renewable energy systems (e.g., solar hot water and power); recycling; energy conservation; and re-vegetation reduces our 'carbon footprint' and enhances sustainability. In our arid climate, we address water shortage through extensive rainwater and stormwater harvesting, water reuse initiatives, water conservation and community education. We are recognised for our conservation efforts, including our heritage streetscapes, town 'greening' to create native fauna and flora havens, domestic energy and water self-sufficiency.



THE FLINDERS RANGES COUNCIL 2026-2027 ANNUAL BUSINESS PLAN

Version Number
Issued
Last Review
Next Review
GDS
Page

05.01/2027
06 August 2026
06 August 2026
01 May 2027
7.11.1
11 of 19

Uniform Presentation of Finances



The Flinders Ranges Council LONG TERM FINANCIAL PLAN 2026 - 2036 UNIFORM PRESENTATION OF FINANCES

v05.01 - As Adopted - 06 August 2026

	2021	2022	2023	2024	2025	Budget	YTD	Budget	2028	2029	2030	2031	2032	2033	2034	2035	2036
	\$	\$	\$	\$	\$	2026	2026	2027	\$	\$	\$	\$	\$	\$	\$	\$	\$
Operating Revenues	6,221,103	6,374,129	6,622,787	6,725,390	6,227,096												
Rates						3,041,680	3,042,352	3,202,149	3,319,200	3,437,400	3,559,600	3,684,900	3,774,400	3,866,800	3,960,800	4,057,700	4,156,400
Statutory charges						61,500	46,880	57,000	58,800	61,000	63,100	65,200	66,700	68,300	69,900	71,800	73,500
User charges						192,000	199,364	180,500	186,600	193,000	199,700	206,100	211,200	216,400	221,600	226,700	232,300
Grants, subsidies and contributions - Operating						1,999,100	3,195,339	2,564,700	2,633,800	2,705,300	2,778,900	2,852,400	2,908,400	2,966,400	3,024,400	3,084,500	3,146,300
Grants, subsidies and contributions - Capital						535,500	1,438,567		100,500	103,000	105,563	108,190	110,882	113,642	116,470	119,369	122,341
Investment Income						46,100	40,738	46,500	48,000	49,600	51,200	52,900	54,100	55,400	56,700	58,000	59,400
Reimbursements						37,400	81,453	64,600	66,700	68,800	70,900	73,400	75,100	76,900	78,800	80,600	82,600
Other income						507,300	499,989	491,200	487,200	503,700	520,700	537,700	550,500	564,000	577,500	591,200	605,900
less Operating Expenses	(6,075,729)	(6,263,660)	(6,387,158)	(6,697,177)	(6,879,114)												
Employee costs						(2,380,800)	(1,910,584)	(2,371,700)	(2,432,500)	(2,496,100)	(2,560,200)	(2,626,000)	(2,693,300)	(2,763,000)	(2,833,200)	(2,906,100)	(2,980,800)
Materials, contracts & other expenses						(3,014,830)	(3,027,498)	(3,141,449)	(3,162,500)	(3,196,700)	(3,264,600)	(3,323,319)	(3,411,675)	(3,519,711)	(3,616,600)	(3,711,200)	(3,811,300)
Finance costs						(7,490)	(5,229)	(7,572)	(3,606)	(123)			(10,681)	(13,625)	(2,789)		
Depreciation, amortisation & impairment						(1,649,600)	(1,229,615)	(1,649,600)	(1,606,200)	(1,593,500)	(1,564,100)	(1,532,800)	(1,510,300)	(1,481,500)	(1,467,600)	(1,444,800)	(1,415,400)
Operating Surplus / (Deficit)	145,374	110,469	235,629	28,213	(652,018)	(632,140)	2,371,753	(563,672)	(304,006)	(164,623)	(39,237)	87,990	122,382	160,842	188,770	227,769	271,241
less Grants, Subsidies & Contributions - Capital				(576,521)	(183,739)	(535,500)	(1,438,567)		(100,500)	(103,000)	(105,563)	(108,190)	(110,882)	(113,642)	(116,470)	(119,369)	(122,341)
Adjusted Operating Surplus / (Deficit)				(548,308)	(835,757)	(1,167,640)	933,186	(563,672)	(404,506)	(267,623)	(144,800)	(20,200)	11,500	47,200	72,300	108,400	148,900
Net Outlays on Existing Assets																	
Capital Expenditure on renewal/replacement of Existing Assets	(1,270,205)	(1,335,736)	(2,958,579)	(943,862)													
Capital Expenditure on Renewal of Existing Assets					(121,755)	(140,000)	(300,395)	(307,500)	(588,900)	(619,120)	(459,741)	(531,268)	(996,804)	(929,558)	(963,731)	(963,232)	(952,966)
Capital Expenditure on Replacement of Existing Assets					(541,760)	(301,400)	(597,817)	(103,900)	(401,100)	(546,200)	(444,700)	(755,900)	(287,300)	(177,000)	(589,400)	(331,400)	(150,700)
add back Op Grants, Subsidies & Contributions - Capital - Renewal									100,500	103,000	105,563	108,190	110,882	113,642	116,470	119,369	122,341
add back Op Grants, Subsidies & Contributions - Capital - Replacement																	
add back Depreciation, Amortisation and Impairment	1,512,969	1,517,345	1,509,383	1,614,303	1,562,046	1,649,600	1,229,615	1,649,600	1,606,200	1,593,500	1,564,100	1,532,800	1,510,300	1,481,500	1,467,600	1,444,800	1,415,400
add back Proceeds from Sale of Replaced Assets	45,455	8,773	3,782	3,636	14,818	40,000	147,727	10,000	113,100	150,900	127,500	213,300	80,000	38,900	170,300	84,900	38,300
	288,219	190,382	(1,445,414)	674,077	913,349	1,248,200	479,130	1,248,200	829,800	682,080	892,722	567,122	417,078	527,484	201,239	354,437	472,375
Net Outlays on New and Upgraded Assets																	
Capital Expenditure on New and Upgraded Assets	(1,661,398)	(1,822,449)	(249,350)	(583,134)													
Capital Expenditure on New Assets					(24,185)	(281,000)	(138,634)	(277,500)	(15,000)			(20,000)			(20,000)		
Capital Expenditure on Upgraded Assets					(216,232)	(523,000)	(1,192,335)	(435,500)	(435,500)	(435,500)	(435,500)	(435,500)					
add back Op Grants, Subsidies & Contributions - Capital - New																	
add back Op Grants, Subsidies & Contributions - Capital - Upgraded					183,739	535,500	1,438,567										
add back Amounts received specifically for New/Upgraded Assets	742,455	983,092	966,402	338,726													
add back Amounts Received Specifically for New Assets						135,000	72,502	200,000									
add back Amounts Received Specifically for Upgraded Assets					81,420	25,000	60,012										
add back Proceeds from Sale of Surplus Assets																	
	(918,943)	(839,357)	717,052	(244,408)	24,742	(108,500)	240,112	(513,000)	(450,500)	(435,500)	(435,500)	(455,500)	-	-	(20,000)	-	-
Adjusted Annual Net Impact to Financing Activities (Surplus/(Deficit))	(485,350)	(538,506)	(492,733)	457,882	102,334	(27,940)	1,652,429	171,528	(25,206)	(21,043)	312,422	91,422	428,578	574,684	253,539	462,837	621,275

Annual Business Plan, Budget and Long-Term Financial Plan

A full copy of the Annual Business Plan is available for inspection at no charge at the principal office, 1 Seventh Street, Quorn or at the Hawker Service Centre (Hawker Motors, corner Cradock and Wilpena Roads, Hawker or can be downloaded from Council's website at: www.frc.sa.gov.au

DISCLAIMER

A rate cannot be challenged on the basis of non-compliance with this policy and must be paid in accordance with the required payment provisions.

Where a ratepayer believes that the Council has failed to properly apply a policy, they should raise the matter with Council by writing to the Chief Executive Officer, The Flinders Ranges Council, PO Box 43, QUORN SA 5433.

Consultation on changes to Council's Method of Rating:

The Rating Policy 2026-2027 contains no changes to Council's rating methodology from the Rating Policy 2025-2026. The budgeted average rate increase is 4.95%. Refer to Council's Rating Policy 2026-2027 for more detail. Please note that monies raised for Service Charges and Separate Rates can only be used for the purpose raised.

Council is required under **Section 151 & Section 156** of the *Local Government Act 1999*, to consult the public on any changes to rating methodologies. Consultation was undertaken in conjunction with the consultation required for the Annual Business Plan, which is expressly allowed under that Act by Section 151(8a).

Suggestions and Feedback on the 2026-2027 Annual Business Plan

Feedback and suggestions regarding Council's draft Annual Business Plan 2026-2027 (which incorporates the draft Rating Policy 2026-2027 and draft Fees & Charges 2026-2027) and the draft Long-Term Financial Plan 2026-2036 were required in writing by 5:00pm on Monday 03 August 2026. Written feedback or suggestions were to be addressed to the Director of Finance and Administration, The Flinders Ranges Council, PO Box 43, Quorn SA 5433.

Council also set aside one hour at the commencement of its Ordinary Meeting of Council on Tuesday 21 July 2026 commencing at 6:30pm, and one hour at the commencement of the Special Meeting of Council on Thursday 06 August 2026 commencing at 6:30pm, for Residents or Ratepayers who wished to address the Council on the draft Annual Business Plan 2026-2027 (including the draft Rating Policy and draft Fees & Charges for 2026-2027) and the draft Long Term Financial Plan 2026-2036. Ratepayers were requested to phone Council on 08 8620 0500 to register their interest in making a verbal presentation to Council on the draft documents.

Council also provided a facility to accept email submissions to council@frc.sa.gov.au provided a contact name, address and phone number was included in the email.

All submissions made, both written (Nil) and verbal (Nil), were taken into account and considered by Council at the 06 August 2026 Special Meeting, prior to any final changes (if any) being made as a result and formal adoption undertaken.

Please Note that Council endeavours to identify cost savings and alternative revenue sources on an ongoing basis to minimise future rate rises. Council continues to utilise shared services as a means of efficient and cost-effective service delivery.

	THE FLINDERS RANGES COUNCIL 2026-2027 ANNUAL BUSINESS PLAN	Version Number Issued Last Review Next Review GDS Page	05.01/2027 06 August 2026 06 August 2026 01 May 2027 7.11.1 13 of 19
--	---	---	---

Appendix 1 – 2026-2027 Fees & Charges (As Adopted)



The Flinders
Ranges Council

THE FLINDERS RANGES COUNCIL

FEES AND CHARGES 2026-2027

As Adopted
06 August 2026
Version 05.01



THE FLINDERS RANGES COUNCIL

FEES AND CHARGES

2026-2027

As Adopted v05.01 - 06 August 2026

2026-2027

Refuse Levy Fees

For Residents & Ratepayers of The Flinders Ranges Council

Car Bodies & Tanks (No concrete)	\$	35.00	
Mattresses (inner spring)	\$	95.00	

Refuse Loads:

Domestic "Household" bin	\$	6.00	*
Domestic "recycle" bin	\$	6.00	*
Car / Wagon	\$	18.00	
Ute / Small trailer (6 x 4)	\$	32.50	
Trailer (6 x 5)	\$	40.50	
Trailer (7 x 4)	\$	38.50	
Trailer (7 x 5)	\$	43.50	
Tandem Trailer (8 x 5)	\$	54.50	
Tandem Trailer (9 x 5)	\$	61.50	
Tandem Trailer (10 x 5)	\$	68.50	
Truck up to 5 tonne	\$	180.00	
Truck 5 to 12 tonne	\$	380.00	
Truck 12 to 20 tonne	\$	680.00	

Non-Friable Asbestos:

Car / Wagon	\$	220.00	
Ute / Small trailer (6 x 4)	\$	325.00	
Trailer (7 x 4)	\$	385.00	
Trailer (7 x 5)	\$	435.00	
Tandem Trailer (8 x 5)	\$	505.00	
Tandem Trailer (9 x 5)	\$	565.00	
Tandem Trailer (10 x 5)	\$	630.00	
Truck up to 5 tonne	\$	945.00	
Minimum Charge	\$	220.00	

Special Opening / Gate Unlocking Fee (disposal charges apply on top of this fee)	\$	105.00	
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Off Route Collection Charges

Weekly Red Top 140L MGB Waste Bin **	\$	308.00	
Fortnightly Yellow Top 240L MGB Recycling Bin **	\$	209.00	
Commercial Red Top 240L MGB Waste Bin **	\$	616.00	

(** These charges include GST as distinct from rating service charges)

The above fees are strictly for residents and ratepayers of The Flinders Ranges Council district. The CEO may permit outsiders under special circumstances to use the landfill or transfer station but the fees will be at least double those above. This also applies to residents or ratepayers who bring in waste from outside the Council district.

Cemetery Fees

Quorn & Hawker	Lease single	\$	105.00	
	Lease double	\$	200.00	
	Burial Fee - hand dug	\$	2,665.00	
	Burial Fee - machine dug	\$	1,310.00	
	Garden burial	\$	490.00	**
	Ashes Wall (Hawker)	\$	490.00	**
	Weekend burials additional cost	\$	330.00	
	Memorials	\$	330.00	
	** Plus Plaque (At Cost) [Previously Included]			

Landing Fees

Hawker Aerodrome	Landing Fee per tonne	\$	21.00	
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CWMS

Hawker & Quorn	CWMS Connection Application Fee	\$	250.00	
	CWMS Connection Fee (New Service) - Per Service	\$	2,500.00	
	CWMS Augmentation Fee (New Connections) - Per Connection	\$	5,000.00	
	CWMS New Infrastructure		At Cost	



THE FLINDERS RANGES COUNCIL

FEES AND CHARGES

2026-2027

As Adopted v05.01 - 06 August 2026

2026-2027

Camping Fees

Warren Gorge	Camping fee per "site"/ car per night	\$	21.00	*
	Day Entry per car	\$	5.50	*
	Bus Entry - per person per day	\$	5.50	*
	Walkers / Cyclist (ie no vehicles) per day	\$	5.50	*
	Camping fee walkers/cyclists (ie no vehicle) per night per site (max 4 people)	\$	11.00	*
Discounts available to local sports and community groups at discretion of CEO for all Warren Gorge fees above.				
Quorn Oval	Powered site per night	\$	33.00	*
	Unpowered site per night	\$	22.00	*
QPMS RV Park	Camping per night (tent)	\$	11.00	*
	Unpowered site per night (same as Warren Gorge)	\$	21.00	*

Agistment

Subject to seasonal conditions:				
	Per Horse per week	\$	12.00	
	Per Sheep/Lamb per week	\$	0.70	

Water

	Quorn & Hawker - from standpipe per kilolitre	\$	5.50	
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Books

Retail	Kanyaka	\$	1.70	*
	Historic Quorn	\$	2.85	*
	Quorn the Continuing History	\$	21.00	*
Wholesale	Kanyaka	\$	1.10	*
	Historic Quorn	\$	2.20	*
	Quorn the Continuing History	\$	11.50	*

Hall Hire

Hawker Institute	All rooms per day (Bond \$250)	\$	325.00	
	Kitchen/bar/annex/supper room - per day	\$	75.00	
	Wooden Trestles (Bond \$100) - per trestle	\$	21.00	
	Chairs (plastic - Bond \$100) - per seat	\$	0.50	
Quorn Town Hall	Hall per day (Bond \$250)	\$	325.00	
	Supper Room - per day	\$	75.00	
	Trestles (Older trestles only - Bond \$50) - per trestle	\$	21.00	
	Mobile Stage Hire			
	Within Council Area	\$	275.00	
	Outside Council Area	\$	525.00	
<i>(Individual panel hire charge \$50 per panel by agreement)</i>				
Quorn Public Square & Stage	Hire per day or part thereof (private event)	\$	230.00	
	Hire per day community event open to public		Free	
Memorial Hall	Hall - per day (Bond \$150)	\$	40.00	
Community Hall	Hall per day (Bond \$250)	\$	325.00	
Chamber Hire	Hired at discretion of CEO - to a maximum per day	\$	325.00	
	Hall hire for community groups / regular users who self clean (Yoga, Square dancing) - repetitive users	\$	29.00	
	Maximum 50% discount available to local Not for Profit community groups upon written request / application, at discretion of CEO for all halls above (where CG undertakes own cleaning)			

Swimming Pools

Season Pass	Family (2-5 persons)	\$	385.00	
	Extra Family member	\$	62.50	
	Single Member (all ages)	\$	195.00	
	Single Member (Aged Pensioners & Approved Concessions)	#	169.00	
10 Swim Pass	Single person	\$	56.00	
	Single person (Aged Pensioners & Approved Concessions)	#	48.00	
General Admission	Per person	\$	7.00	
	Per person (Aged Pensioners & Approved Concessions)	#	6.00	
Non-swimming	Supervising Adult		Free	
	Spectator		Free	
Hire of Swimming Pool	Private Hire of Swimming Pool outside of operating hours	\$	115.00	
	Charge is per hour.			
# Aged Pensioners & Approved Concessions (intended to cover aged, self funded retirees, disabled and associated cares)				



THE FLINDERS RANGES COUNCIL
FEES AND CHARGES
2026-2027

As Adopted v05.01 - 06 August 2026

		2026-2027
<u>Community Bus</u>	Community Group	\$ 1.05
	Local	\$ 1.70
	Non Local	\$ 2.90
<i>All charged at cents / km. Discounts for Community Groups by approval of CEO.</i>		
<u>Private Works (Labour)</u>	Ordinary Time	\$ 120.00
	Time and One Half	\$ 180.00
	Double Time	\$ 240.00
<u>Portable Toilets</u>	Per single toilet - per day	\$ 100.00
	<i>Additional charges apply if not cleaned or emptied on return</i>	
<u>Administration Charges</u>		
Photocopying	A4 sheet single sided monochrome	\$ 0.50
	A4 sheet double sided monochrome	\$ 0.60
	A3 sheet single sided monochrome	\$ 0.60
	A3 sheet double sided monochrome	\$ 0.70
	<i>Colour photocopies at 4 times monochrome charge</i>	
Laminating	A4 Laminating	\$ 1.80
	A3 Laminating	\$ 2.90
Research	Extensive research - minimum charge	\$ 55.00
	Per hour (included in minimum fee)	\$ 115.00
Annual Advertising	Town Entrance Hoop Signs	\$ 215.00
Annual Licences & permits	Moveable signs (A-Frames, etc.)	\$ 27.50
	Footpath Business Permit	\$ 105.00
	Information Bay Advertising	\$ 11.50
	Mobile Platform (Outdoor dining) per single platform	\$ 580.00
Mobile Food & Vendor	Annual Permit	\$ 262.00
	Daily Permit	\$ 52.50
Mobile EFTPOS Machine	Daily Hire	\$ 33.00

 The Flinders Ranges Council	THE FLINDERS RANGES COUNCIL 2026-2027 ANNUAL BUSINESS PLAN	Version Number Issued Last Review Next Review GDS Page	05.01/2027 06 August 2026 06 August 2026 01 May 2027 7.11.1 14 of 19
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Appendix 2 – 2026-2027 Rating Policy (As Adopted)



GOVERNANCE POLICY
RATING POLICY 2026-2027

Policy Number	G 01.28
Version Number	05.01/2027
Issued	18 August 2026
Last Review	18 August 2026
Next Review	01 May 2027
GDS	9.63.1.1

RATING & RATE REBATE POLICY

POLICY

1. Introduction

The purpose of this policy is to outline Council's approach towards rating its communities and to meet the requirements of the *Local Government Act 1999* (the *Act*) with particular reference to **Section 123(2)(g)**.

Section 123(2)(g) and **Section 6** of the *Local Government (Financial Management) Regulations 2011* require Council to have a rating policy that must be prepared and adopted (as part of the Annual Business Plan) each financial year in conjunction with the declaration of rates.

The contents and commitments in this policy are not intended to be (and should not be interpreted to be) any more than a statement of Council's general position and to facilitate its aspirations wherever it is reasonable to do so.

2. Objectives

Council's policy directions are guided by the three principles of 'sustainability', 'good public administration' and 'community leadership', which are detailed in Council's Strategic Management Plan.

Council must raise revenue sufficient for the purpose of governance, administration and to provide for appropriate goods and services for the community. The goods and services are especially those that would not be provided by private businesses e.g. infrastructure, street lighting, regulatory and compliance activities.

Council's practices and decisions regarding rating are underpinned by:

- accountability, transparency and simplicity;
- efficiency, effectiveness and timeliness;
- equitable distribution of the rate responsibility across the community;
- consistency with Council's strategic, corporate and financial directions and budgetary requirements; and
- compliance with the requirements and intent of relevant legislation and accepted professional conventions and ethics.

Chapter 10 of the *Act* empowers local government to levy rates and charges on land and provides some principles for consideration when developing rating policies. The key principle in levying rates recognises that rates constitute a system of taxation on the community for local government purposes (generally based on the value of land).

In developing this policy Council has also given consideration to the following five principles previously identified by the local government industry (Local Government Rating – A Consultation Paper, April 2001) that apply to the imposition of taxes on communities:

- equity (taxpayers with the same income pay the same tax (horizontal equity), wealthier taxpayers pay more (vertical equity));
- benefit (taxpayers should receive some benefits from paying tax, but not necessarily to the extent of the tax paid);
- ability-to-pay (in levying taxes the ability of the taxpayer to pay the tax must be taken into account);
- efficiency (if a tax is designed to change consumers behaviour and the behaviour changes, the tax is efficient (e.g. tobacco taxes); if the tax is designed to be neutral in its effect on taxpayers and it changes taxpayers behaviour, a tax is inefficient); and
- simplicity (the tax must be understandable, hard to avoid, easy to collect).

The principle of 'benefit' (above) supports the philosophy that rates should not be regarded as a user pays system and it should also be recognised that benefits are consumed differently over the life cycle of a ratepayer.

The Flinders Ranges Council Rating Discussion Paper 2026-2027 presented to Council in February 2026 discussed the various policy options available to Council.

	GOVERNANCE POLICY RATING POLICY 2026-2027	Policy Number Version Number Issued Last Review Next Review GDS	G 01.28 05.01/2027 18 August 2026 18 August 2026 01 May 2027 9.63.1.1
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To some extent these principles are in conflict with each other in practice. Councils must therefore strike a balance between:

- the application of the principles;
- the policy objectives of taxation;
- the need to raise revenue; and
- the effects of the tax on the community.

3. Method Used To Value Land

Council now only has the option to use one valuation methodology to value properties in its area. This is:

- Capital Value – the value of the land and all improvements on the land.

Council considers that this method provides the fairest method of distributing the rate burden across all ratepayers on the following basis:

- The equity principle of taxation requires that ratepayers of similar wealth pay similar taxes and ratepayers of greater wealth pay more tax than ratepayers of lesser wealth.
- Property value is a relatively good indicator of wealth and capital value, which closely approximates the market value of a property and provides the best indicator of overall property value.

4. Adoption of Values

Council adopts the valuations made by the Valuer-General. Ratepayers may object to the valuation referred to in the rates notice by writing, either served personally or by post, on the Valuer-General within 60 days after the date of service of that rates notice.

However, ratepayers should note the following:

- (a) if you have previously received a notice or notices under the Local Government Act 1999 referring to the valuation and informing you of a 60-day objection period, the objection period is 60 days after service of the first such notice;
- (b) this 60 day objection period may be extended by the Valuer-General where it can be shown there is reasonable cause;
- (c) you may not object to the valuation if the Valuer-General has already considered an objection by you to that valuation.

A written objection to valuation must set out the grounds for objection. Objections can also be submitted via an online form at: <http://www.valuergeneral.sa.gov.au/valuation/objecting-to-a-valuation>

Differential Rates (and or charges) imposed by rates (and or charges) are still due and payable by the due date even if an objection has been lodged.

Objections are to be forwarded to:

Office of the Valuer-General
GPO Box 1354, Adelaide 5001
(101 Grenfell Street, Adelaide 5000)
Phone 1300 653 346 Email OVGobjections@sa.gov.au

Council has no role in the objection process and you should note that valuations can increase which means your rates will increase when recalculated.

Please note where an objection to valuation or land use is lodged in the 2026-2027 rating year results in a change of valuation (either increase or decrease) the rates will be recalculated.

It is also important to note that the lodgement of an objection does not change the due date or amount for payment of rates. If an objection is upheld, any refund (or additional charge) will appear on the next quarterly rate notice and the impacted ratepayer notified when proceeded by Council.



GOVERNANCE POLICY

RATING POLICY 2026-2027

Policy Number	G 01.28
Version Number	05.01/2027
Issued	18 August 2026
Last Review	18 August 2026
Next Review	01 May 2027
GDS	9.63.1.1

5. Business Impact Study

Council has considered the impact of rates on all businesses in the Council area including primary production. In considering the impact, Council assessed the following matters:

- Recommendations from the Rating Discussion Paper presented to Council on the 17 February 2026
- Those elements of Council's Strategic Management Plan relating to business development
- Current taxation policy allowing rates as a business deduction (effectively a 30% discount compared with non-business ratepayers) and a reduction of the tax rate for small business
- Changes in valuations of business and primary production properties from the previous financial year.
- The equity of the distribution of the rate burden.
- Specific Council projects for the coming year reflected in The Flinders Ranges Council Community Plan 2023-2033.
- Current local, state and national economic conditions and expected changes during the next financial year
- The specific issues of businesses including the need to deliver an ever-increasing range of services across economic, environmental and social functions
- The impact of Government Legislative amendments and the burden of continuous cost shifting by the State Government requiring Council to commit more resources to provide services previously provided by the State Government
- The objective of attracting and continuing to attract new residents and the support of business activity to generate economic development
- The movement in the Construction Industry Cost Indices and the Local Government Cost Index, and movement in the Consumer Price Index as an indicator of community economic activity
- The draft Long Term Financial Plan 2026-2046 developed as part of The Flinders Ranges Council Community Plan 2023-2033
- The Local Government Advice provided to Council by the Essential Services Commission of South Australia in February 2025
- Tourist number movements and trends
- Climate Change
- The impact of Government Grant Commission funding decisions

6. General Rates

All land within a council area, except for land specifically exempt (e.g. crown land, council occupied land and other land prescribed in the *Local Government Act 1999* **Section 168**), is rateable. State Government land, Federal Government land, Communications (Telstra, Optus, NBN) SA Power Networks, SA Water are all exempt and pay no rates. In addition, Schools and Hospitals receive a mandatory 100% rebate, effectively making them exempt.

The *Local Government Act 1999* provides for a Council to raise revenue for the broad purposes of the Council through a general rate, which applies to all rateable properties and is a general tax (comparable to Income Tax).

Rates are not a fee for any particular program or service, whether received or not, and rates should not be considered or interpreted as a fee.

6.1 Differential General Rates

Council will impose differential rates in its area according to the following land use categories:

1. Residential – comprising land use for a detached dwelling, group dwelling, residential flat building, row dwelling or semi-detached dwelling within the meaning of the Development Regulations
2. Commercial Shop – comprising land use for a shop within the meaning of the Development Reg.
3. Commercial Office – comprising land use for an office within the meaning of the Development Reg.
4. Commercial Other – comprising any other commercial use of land not referred to in categories 2 or 3
5. Industry Light – comprising land use for a light industry within the meaning of the Development Reg.
6. Industry Other – comprising any other industrial use of land not referred to in category 5
7. Primary Production – comprising
 - Farming within the meaning of the Development Regulations; and
 - Horticulture within the meaning of the Development Regulations; and



GOVERNANCE POLICY

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Policy Number	G 01.28
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Last Review	18 August 2026
Next Review	01 May 2027
GDS	9.63.1.1

- The use of land for horse keeping or intensive animal keeping within the meaning of the Development Regulations; and
 - In respect of a dairy situated on the farm – the use of land for a dairy within the meaning of the Development Regulations; and
8. Vacant Land – comprising the non-use of vacant land
 9. Other – not included previously in the categories above.

At the Council Meeting on 10 February 2009 Council resolved to consider adding location as a differentiating factor due to uneven increases in valuations between the Hawker area and the Quorn area. Council at the Council Meeting on 14 July 2009, after considering public consultation submissions, resolved to include location as a differentiation factor. The locations are defined by Council's Development Plan and are: Quorn Township; Quorn Rural; Hawker Township; and Hawker Rural.

Council has factored into the Budget and Long-Term Financial Plan an average rate increase of 4.95% for 2026-2027. Over recent years, Council has increased general rates by 3.95% in 2025-2026 and 4.95% in both 2024-2025 and 2023-2024. This will continue to increase Council rates per capita closer to the average for Councils in South Australia. It is noted that the increase is still equivalent to the current level of inflation.

Council's differential rates for 2026-2027 continue with the continuation of differentiation based on location and land use. However, Council has previously decided to have the same land use rates for each location.

The differential rates for 2026-2027 for each location are:-

- (1) A differential general rate of 0.529 cents in the dollar on rateable land in the Council's area of category 1 (residential) land use;
- (2) A differential general rate of 0.730 cents in the dollar on rateable land in the Council's area of category 2 (commercial - shop) land use;
- (3) A differential general rate of 0.863 cents in the dollar on rateable land in the Council's area of category 3 (commercial - office) land use;
- (4) A differential general rate of 0.863 cents in the dollar on rateable land in the Council's area of category 4 (commercial - other) land use;
- (5) A differential general rate of 0.817 cents in the dollar on rateable land in the Council's area of category 5 (industry - light) land use;
- (6) A differential general rate of 0.817 cents in the dollar on rateable land in the Council's area of category 6 (industry - other) land use;
- (7) A differential general rate of 0.382 cents in the dollar on rateable land in the Council's area of category 7 (primary production) land use;
- (8) A differential general rate of 0.529 cents in the dollar on rateable land in the Council's area of category 8 (vacant land) land use;
- (9) A differential general rate of 0.973 cents in the dollar on rateable land in the Council's area of category 9 (other) land use;

6.2 Minimum Rate

A Council may impose a minimum rate payable by way of rates pursuant to **Section 158(1)(a)**, provided that it has not imposed a fixed charge. Where two or more adjoining properties have the same owner and are occupied by the same occupier, only one minimum rate is payable by the ratepayer. Where a Council imposes a minimum rate, it must not apply that rate to more than 35% of the properties in the Council area. The minimum rate will be applied to 23.2% of rateable assessments in 2026-2027 (24.4% in 2025-2026).

The Council set a minimum rate of \$973 on all rateable properties with exception of land in category 7 in 2025-2026. Council has set a minimum rate of \$1,021 for 2026-2027, being an annual increase of 4.95% (3.95% in 2025-2026).



GOVERNANCE POLICY

RATING POLICY 2026-2027

Policy Number	G 01.28
Version Number	05.01/2027
Issued	18 August 2026
Last Review	18 August 2026
Next Review	01 May 2027
GDS	9.63.1.1

6.3 Fixed Charge

Council will not impose a fixed charge, as it plans to impose a minimum rate and the two options are mutually exclusive under **Sec 158(2)(e)** of the *Local Government Act 1999*.

6.4 Single Farm Enterprise

Section 158(2)(bb) of the *Local Government Act 1999* provides that where a Council declares a general rate which is based in whole or in part, on a minimum rate:

"if 2 or more pieces of rateable land within the area of a council constitute a single farm enterprise, a minimum amount may only be imposed against 1 of the pieces of land".

A single farm enterprise must be comprised of two or more pieces of rateable land which are farmland and are occupied by the same person or persons. To enable properties to be identified as single farm enterprises it will be necessary for ratepayers to complete an application form to provide details to Council to enable Council to identify the land concerned. An application form can be obtained from any of the Council offices. Staff will assess the application & properties under **Section 149** of the *Local Government Act 1999*.

However, as Council does not impose a minimum rate on land classified 7 (Primary Production), there should be no minimum rates that would be adjusted under Single Farm Enterprise. The provisions will however apply under the new Landscape Levy arrangements.

7. Annual Service Charges

The Council provides a Community Wastewater Management System (CWMS) to all properties in the township of Hawker. The full cost of operating, maintaining and improving this service for this financial year is budgeted to be \$90,125. This includes setting aside funds for the future replacement of the assets employed in providing the service. The Council will recover this cost through the imposition of an annual service charge of \$455 per occupied unit and \$435 per unoccupied unit. The charges have been increased from \$435 and \$415 respectively per property for the current financial year

The Council provides a Community Wastewater Management System to all properties in the township Quorn (south of the railway line). The full cost of operating, maintaining and improving this service for this financial year is budgeted to be \$190,400. This includes setting aside funds for the future replacement of the assets employed in providing the service. The Council will recover this cost through the imposition of an annual service charge of \$455 per occupied unit and \$435 per unoccupied unit. The charges have been increased from \$435 and \$415 respectively per property for the current financial year.

The Council also provides a waste management service within the townships of Quorn, Hawker and Cradock, incorporating a kerbside collection of 140L "household" waste and a kerbside collection of 240L recyclable materials. The full cost of operating and maintaining these services for this financial year is budgeted to be \$362,112 for all residential properties in the Quorn, Hawker and Cradock Townships. Council will recover 100% of this cost through the impost of an annual service charge per property within the townships of Quorn and Hawker.

In 2025-2026 these charges were \$265 per "household" 140L Mobile Garbage Bin (MGB) and \$180 per "recycle" 240L MGB. Charges for 2026-2027 will be \$280 per "household" 140L MGB and \$190 per "recycle" 240L MGB. Minimum charge per occupied township property (i.e. any property which can be inhabited) will be \$470 (i.e. one 140L "household" bin and one 240L "recycle" bin). Residents may opt to have more than two bins at a cost of \$280 per extra "Household" 140L MGB and/or \$190 per extra "recycle" 240L MGB.

Council has needed to make this increase in fees to ensure that the experienced and anticipated significant costs in disposal of the waste is adequately covered by the service charges. Council has also been absorbing considerable additional contractor costs over the past four financial years under the new collection contracts and this has significantly reduced the waste collection reserves.



GOVERNANCE POLICY

RATING POLICY 2026-2027

Policy Number	G 01.28
Version Number	05.01/2027
Issued	18 August 2026
Last Review	18 August 2026
Next Review	01 May 2027
GDS	9.63.1.1

Commercial premises have historically been issued with up to four MGBs and the charge will be \$280 per “household” 140L MGB and \$190 per 240L “recycle” MGB. Additional bins can be provided at a service charge of \$280 per extra “Household” 140L MGB and/or \$190 per extra “recycle” 240L MGB. However commercial premises may opt out of the Council provided service and utilise a private service provider. All Council MGBs must be returned to avoid the annual service charge. Commercial premises may also seek to have additional 240L MGBs for non-recyclable waste (red top) at a cost of \$560 (plus GST) per additional MGB.

Council will allow residents outside the township, who are not on the collection route, to bring bins either to the town boundary or to a main road on the garbage truck route between townships. The cost of this service will be the same as for township residents which for 2026-2027 will be \$280 per “household” 140L MGB and \$190 per “recycle” 240L MGB. This will be charged by agreement by separate invoice (i.e. not on rates notice). Being a service, Council will also be required to add GST to these prices making them \$308 and \$209 per bin respectively inclusive of GST. Council may consider extending the kerbside collection route if sufficient demand so warrants in the future. **All bins remain the property of Council.**

8. Rate Concessions

The State Government funds a range of concessions for eligible people. The concessions are administered by various State Agencies who determine the eligibility. Eligibility criteria for Concessions are available on the State Government Website: <https://www.sa.gov.au/topics/care-and-support/financial-support/concessions>

Ratepayers who believe they are entitled to a concession should not withhold payment of rates pending assessment of an application by the State Government as penalties apply to overdue rates.

8.1 Pensioner Concessions

Eligible pensioners may be entitled to a cost-of-living concession (previously rates concession) of up to \$270.60 (standard rate). Application forms, which include information on the concessions, are available from the State Government <https://www.sa.gov.au/topics/care-and-support/financial-support/concessions/cost-of-living-concessions> (Phone Concessions Hotline: 1800 307 758). Some eligible ratepayers will automatically be sent the cost-of-living concession direct by the State Government without application.

8.2 Self-Funded Retiree Concession

Eligible self-funded retirees may be entitled to a cost-of-living concession (previously rates concession) of \$270.60 (standard rate). Application forms, which include information on the concessions, are available from the State Government <https://www.sa.gov.au/topics/care-and-support/financial-support/concessions> (Phone Concessions Hotline: 1800 307 758).

8.3 Other Concessions

The State Government may assist eligible persons receiving State and Commonwealth allowances. This includes but is not limited to, ratepayers who are a pensioner, a Seniors Card holder, a full-time student, receiving an eligible Centrelink benefit or allowance, a low-income earner (income limits apply). It may also apply to ratepayers in receipt of a pension as a war widow under legislation of the United Kingdom or New Zealand and the holders of a State Concession Card. Please contact the State Government for details. Application forms, which include information on the concessions, are available from the State Government <https://www.sa.gov.au/topics/care-and-support/financial-support/concessions> (Phone Concessions Hotline: 1800 307 758).

8.4 Concessions Online

Refer to the State Government concessions website: <https://www.sa.gov.au/topics/care-and-support/financial-support/concessions> or phone the Concessions Hotline: 1800 307 758.



GOVERNANCE POLICY

RATING POLICY 2026-2027

Policy Number	G 01.28
Version Number	05.01/2027
Issued	18 August 2026
Last Review	18 August 2026
Next Review	01 May 2027
GDS	9.63.1.1

9. Rate Capping

Council pursuant to **Section 153(3)** of the *Local Government Act 1999* has determined **not** to fix a maximum increase in the general rate on the principle place of residence of the principal ratepayer.

10. Remission and Postponement of Rates

Section 182 of the *Local Government Act 1999* permits a Council, on the application of the ratepayer, to partially or wholly remit rates or to postpone rates, on the basis of hardship. Where a ratepayer is suffering hardship in paying rates, they must write to Council to explain their situation.

Council and its officers treat such enquiries confidentially. Council will require personal financial information from anyone applying for postponement or remission of rates. The prescribed interest rate is lower than the normal interest rate and for 2026-2027 is 0.5708% per month (6.85% per annum).

11. Payment of Rates

The payment of rates can be made in full or by four approximately equal instalments, with instalments falling due on the following dates:

- First instalment – 30 September 2026
- Second instalment – 15 December 2026
- Third instalment – 15 March 2027
- Fourth instalment – 15 June 2027

When the due date is on a weekend or a public holiday, the due date will be the next business day.

Rates may be paid:

- By posting a cheque to PO Box 43, Quorn SA 5433 with the bottom section of rates notice (Council accepts no responsibility for cash sent by post)
- BPAY – Biller ID 45898 and Assessment Number (please allow three banking business days for the B-Pay payment to be processed by your bank)
- In person at the Council offices at:
 - 1 Seventh Street, Quorn during the hours of 9:00am to 5:00pm Monday to Friday
 - Hawker Service Centre: Hawker Motors, Wilpena Road, Hawker.
- By Phone 08 8620 0500, using Visa or Mastercard

12. Early Payment Discount

In an effort to assist ratepayers with the current cost of living pressures, Council is continuing to offer a discount of 2.50% on general rates for ratepayers who pay their full year's rates and charges in full prior to the first instalment date in September.

It is important to note that the discount will only be calculated on the general rate component of the total rates account i.e.. It will not be calculated on the full amount which includes Service Charges and Separate Rates.

13. Hardship

Any Ratepayer who may, or is likely to, experience difficulty paying their rates is invited to contact Council's Finance and Administration Manager by telephone on 08 8620 0500 to discuss alternative payment arrangements. Such inquiries are treated confidentially by the Council and its officers. Please note that financial and other information will be required in support of your hardship claim. This includes payment for Community Wastewater Management Service Charges, Waste Management Service Charges and Landscape Levy included on your rates notice.

Payment arrangements will be based on the ratepayer's capacity to pay and current financial situation and take account of arrears owing and future rates.

Ratepayers who enter into a payment arrangement with Council will not be subject to normal debt collection process or imposition of **Section 184** of the *Act* (Sale of Land for Non-payment of Rates) unless they fail to meet their payment arrangement obligations and revised arrangements cannot be agreed to.

	GOVERNANCE POLICY RATING POLICY 2026-2027	Policy Number Version Number Issued Last Review Next Review GDS	G 01.28 05.01/2027 18 August 2026 18 August 2026 01 May 2027 9.63.1.1
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14. Late Payment of Rates

The *Local Government Act 1999* provides that Councils impose a penalty of 2% on any late payment for rates. Interest is charged monthly on all arrears at the prescribed rate which is 0.7375% (per month) for 2026-2027. Council may refer the outstanding rates to a debt collection agency for collection if the rates remain overdue more than two consecutive quarters.

When Council receives a payment in respect of overdue rates Council applies the money received in accordance with the requirements of the *Local Government Act 1999*, as follows:

- First – to satisfy any costs awarded in connection with court proceedings;
- Second – to satisfy any interest costs;
- Third – in payment of any fines imposed;
- Fourth – in payment of rates, in chronological order (starting with the oldest amount).

15. Sale of Land for Non-Payment of Rates (Section 184)

Section 184 of the *Local Government Act 1999*, provides that a Council may sell any property where the rates have been in arrears for three years or more. The Council is required to notify the owner of the land of its intention to sell the land, provide the owner with details of the outstanding amounts, and advise the owner of its intention to sell the land if payment of the outstanding amount is not received within one month. The sale of land for non-payment of rates will be utilised by The Flinders Ranges Council as a means of collecting outstanding rates again in 2026-2027.

16. Rebate of Differential General Rates

The *Local Government Act 1999*, requires Councils to rebate the differential general rates (rates) payable on some land (**this does not include annual service charges**). Provisions are made for land used for health services, community services, religious purposes, public cemeteries, the Royal Zoological Society and educational institutions.

It is the policy of The Flinders Ranges Council that a rebate of rates in respect of any rateable land in the Council area will be available only when the applicant satisfies the requirements under the *Local Government Act 1999*, and where appropriate, the requirements of this policy.

The *Local Government Act 1999* sets out at **Chapter 10, Division 5 (Sections 159 to 166)** those provisions applicable to the Council granting a rebate of rates to persons or bodies. The *Local Government Act 1999* requires Councils to rebate the rates payable on some land. This includes a 100% rebate for hospitals, health centres, churches and cemeteries. A minimum rebate of 75% is applied for land used predominantly for educational purposes (subject to some qualifications).

Applications for any other discretionary rebates should be in writing to the Chief Executive Officer, detailing the basis for applying for the rebate. Council will consider each application on merit and may seek further information to help in its determination. **Section 159(3)** of the *Act* provides that the Council may grant a rebate of rates under the *Act* if it is satisfied that it is appropriate to do so. The *Act* provides for a mandatory rebate of rates in specified cases and the amount of that mandatory rebate (see below).

The *Act* also provides that where the Council must grant a rebate of rates under the *Act*, and the amount of that rebate is fixed by the *Act* at less than 100%, the Council may increase the amount of the rebate.

The *Act* provides, at **Section 166** for the Council to provide a discretionary rebate of rates in the cases set out in that Section.

	GOVERNANCE POLICY RATING POLICY 2026-2027	Policy Number Version Number Issued Last Review Next Review GDS	G 01.28 05.01/2027 18 August 2026 18 August 2026 01 May 2027 9.63.1.1
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15.1 Mandatory Rebates

The Council must grant a rebate in the amount specified in respect of those land uses which the *Act* provides will be granted a rebate.

15.1.1 Rates on the following land will be rebated at 100%:

15.1.1.1 Health Services

Land being predominantly used for service delivery or administration by a hospital or health centre incorporated under the *South Australia Health Commission Act 1976*.

Council will grant 100% rebate to the Quorn Hospital and Hawker Hospital

15.1.1.2 Religious Purposes

Land containing a church or other building used for public worship (and any grounds), or land solely used for religious purposes.

Council will grant a 100% rebate to the Hawker Catholic Church, Hawker Uniting Church, Quorn Catholic Church, Quorn Uniting Church and the Quorn Anglican Church.

15.1.1.3 Public Cemeteries

Land being used for the purposes of a public cemetery.

15.1.2 Rates on the following land will be rebated at 75%:

15.1.2.1 Community Services

Land being predominantly used for service delivery and administration by a community services organisation. A "community services organisation" is defined in the *Act* as a body that:

- is incorporated on a not for profit basis for the benefit of the public; and
- provides community services without charge or for a charge that is below the cost to the body of providing the services; and
- does not restrict its services to persons who are members of the body.

It is necessary for a community services organisation to satisfy all of the above criteria to be entitled to the mandatory 75% rebate.

The *Act* further provides that eligibility for a rebate by a community services organisation is subject to it providing one or more of the following community services:

- emergency accommodation
- food or clothing for disadvantaged persons (i.e., persons who are disadvantaged by reason of poverty, illness, frailty, or mental, intellectual or physical disability)
- supported accommodation (i.e., residential care facilities in receipt of Commonwealth funding or accommodation for persons with mental health, intellectual, physical or other difficulties who require support in order to live an independent life)
- essential services, or employment support, for persons with mental health disabilities, or with intellectual or physical disabilities
- legal services for disadvantaged persons
- drug or alcohol rehabilitation services
- the conduct of research into, or the provision of community education about, diseases or illnesses, or the provision of palliative care to persons who suffer from diseases or illnesses.

	GOVERNANCE POLICY RATING POLICY 2026-2027	Policy Number Version Number Issued Last Review Next Review GDS	G 01.28 05.01/2027 18 August 2026 18 August 2026 01 May 2027 9.63.1.1
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15.1.2.2 Educational Purposes

- Land occupied by a government school under a lease or licence and being used for educational purposes
- Land occupied by a non-government school registered under Part 5 of the *Education Act 1972* and being used for educational purposes
- Land being used by a University or University College to provide accommodation and other forms of support for students on a not for profit basis.

Where the Council is satisfied from its own records or from other sources that a person or body meets the necessary criteria for a mandatory 100% or 75% rebate, the Council will grant the rebate of its own initiative. Where the Council is not so satisfied it will require the person or body to apply for the rebate in accordance with this policy. Where a person or body is entitled to a rebate of 75% the Council may, pursuant to **Section 159(4)** of the *Act*, increase the rebate up to a further 25%. The Council may grant the further 25% rebate upon application or on its own initiative. In either case the Council will take into account those matters set out in this policy and may take into account any or all of those matters set out in this policy.

Where an application is made to the Council for a rebate of up to a further 25% the application will be made in accordance with this policy and the Council will provide written notice to the applicant of its determination of that application.

Council will grant a further 25% rebate to the Quorn Area School and the Hawker Area School.

15.2 Discretionary Rebates

The Council may in its absolute discretion grant a rebate of rates or service charges in any of the following cases pursuant to **Section 166** of the *Act*:

- where it is desirable for the purpose of securing the proper development of the area (or a part of the area);
- where it is desirable for the purpose of assisting or supporting a business in its area;
- where it will be conducive to the preservation of buildings or places of historic significance;
- where the land is being used for educational purposes;
- where the land is being used for agricultural, horticultural or floricultural exhibitions;
- where the land is being used for a hospital or health centre;
- where the land is being used to provide facilities or services for children or young persons;
- where the land is being used to provide accommodation for the aged or disabled;
- where the land is being used for a residential aged care facility that is approved for Commonwealth funding under the *Aged Care Act 1987* (Commonwealth) or a day therapy centre;
- where the land is being used by an organisation which, in the opinion of the Council, provides a benefit or service to the local community;
- where the rebate relates to common property or land vested in a community corporation under the *Community Titles Act 1996* over which the public has a free and unrestricted right of access and enjoyment; and
- where the rebate is considered by the Council to be appropriate to provide relief against what would otherwise amount to a substantial change in rates payable due to a change in the basis of valuation used for the purposes of rating, rapid changes in valuations, or anomalies in valuations.

The Council may grant a rebate of rates up to and including 100% of the relevant general rates and/or service charges. The Council may grant a rebate for a period exceeding one year, but not exceeding 10 years. The Council has an absolute discretion to grant a rebate of general rates or annual service charges in the above cases and to determine the amount of any such rebate.

Council will grant a 100% rebate to the Hawker Community Sports Centre, Quorn Health Services (Flinders House), Quorn Masonic Lodge No. 59, Wirreanda Cottages Incorporated and Country and Outback Health (for two doctor's residences).

Council will grant a 100% rebate to the Pichi Richi Railway Preservation Society Incorporated.

Council will grant a 50% rebate to the Quorn Pistol & Shooting Club.

Council will grant a 70% rebate to properties situated in the surveyed township of Cradock with a Land Use category 8 (vacant land).



GOVERNANCE POLICY

RATING POLICY 2026-2027

Policy Number	G 01.28
Version Number	05.01/2027
Issued	18 August 2026
Last Review	18 August 2026
Next Review	01 May 2027
GDS	9.63.1.1

15.3 Applications

Persons who or bodies which seek a discretionary rebate will be required to submit a detailed written application to the Council and provide to the Council such information as Council may reasonably request.

Persons or bodies who seek a rebate of rates (and/or service charges) under this policy, either pursuant to **Section 159(4)** of the *Act* or pursuant to **Section 166** of the *Act*, must make written application to the Council pursuant to **Section 159(1)** of the *Act* in the supplying such information as the Council may reasonably require. Information required may include (but is not limited to): full ownership name and address; land parcel details including assessment number & title; purpose and use of the land and by whom; and reasons for eligibility for the rebate.

The Council will take into account, in accordance with **Section 159(5)** of the *Act*, the following matters:

- the nature and extent of Council services provided in respect of the land for which the rebate is sought in comparison to similar services provided elsewhere in the Council's area;
- the community need that is being met by activities carried out on the land for which the rebate is sought; and
- the extent to which activities carried out on the land for which the rebate is sought provides assistance or relief to disadvantaged persons.

The Council may take into account other matters considered relevant by the Council including, but not limited to, the following:

- why there is a need for financial assistance through a rebate;
- the level of rebate (percentage and dollar amount) being sought and why it is appropriate;
- the extent of financial assistance, if any, being provided to the applicant and/or in respect of the land by Commonwealth or State agencies;
- whether the applicant has made/intends to make applications to another Council;
- whether, and if so to what extent, the applicant is or will be providing a service within the Council area;
- whether the applicant is a public sector body, a private not for profit body or a private or profit body;
- whether there are any relevant historical considerations that may be relevant for all or any part of the current Council term;
- the desirability of granting a rebate for more than one year in circumstances identified in this policy;
- consideration of the full financial consequences of the rebate for the Council;
- the time the application is received;
- the availability of any community grant to the person or body making the application;
- whether the applicant is in receipt of a community grant; and
- any other matters and policies of the Council, which the Council considers relevant.

All persons who or bodies which wish to apply to the Council for a rebate of rates must do so on or before 1 July of each year for the financial year in which 1 July falls. The Council reserves the right to refuse to consider applications received after that date. However, applicants which satisfy the criteria for a mandatory 75% or 100% rebate will be granted the rebate at any time.

The *Act* provides that the Council may grant a rebate of rates or charges on such conditions as the Council thinks fit. The Council may, for proper cause, determine that an entitlement to a rebate of rates under the *Act* no longer applies. Where an entitlement to a rebate of rates ceases or no longer applies during the course of a financial year, the Council is entitled to recover rates, or rates at the increased level (as the case may be), proportionate to the remaining part of the financial year.

It is an offence for a person or body to make a false or misleading statement or representation in an application or to provide false or misleading information or evidence in support of an application made (or purporting to be made) under the Act. If a person or body has the benefit of a rebate of rates and the grounds on which the rebate has been granted cease to exist, the person or body must immediately inform the Council of that fact and (whether or not the Council is so informed) the entitlement to a rebate cease. If a person or body fails to do so that person or body is guilty of an offence. The maximum penalty for these offences is \$5,000.

Review

A person who or a body which is aggrieved by a determination of the Council in respect of an application for a rebate may seek a review of that decision in accordance with the Council's Internal Review of Council Decisions Policy within 30 days of the date of the notice of determination which is given pursuant to this Policy.

	GOVERNANCE POLICY RATING POLICY 2026-2027	Policy Number Version Number Issued Last Review Next Review GDS	G 01.28 05.01/2027 18 August 2026 18 August 2026 01 May 2027 9.63.1.1
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17. Regional Landscape Levy (State Government)

Councils are required, by the State Government, to collect an amount specified by the Landscape South Australia Act 2019 on all rateable properties. Funds are used to manage natural resources by the South Australian Arid Lands Landscape Board.

The South Australian Arid Lands Landscape Board has previously declared a levy payable by The Flinders Ranges Council based on capital value which was \$48,116 for the 2022-2023 year. Council set a Separate Rate for the Landscape Levy based on capital value.

Following a considerable community consultation process as part of the Board's transition arrangements, the basis of the calculation changed for the 2023-2024 financial year, to be a levy on the basis of a differential fixed amount per property, with the differential being land use. This was a significant change to the previous levy basis. Being a rate based on a differential fixed basis, provisions for contiguous properties and properties farmed as part of a Single Farm Enterprise are available to assist ratepayers.

For 2023-2024 Council was required to collect an amount of \$92,189 for the Board. For the 2024-2025 financial year, this amount was \$92,535, for 2025-2026 \$98,780 and for 2026-2027 the amount is \$101,799

The levy will be applied as follows:-

- For Residential, Vacant & Other Land Uses, the base amount of \$49.06 per rateable property (\$48.07 in 2025-2026);
- For Commercial & Industrial Land Uses, two (2) times the base amount or \$98.12 per rateable property (\$96.14 in 2025-2026);
- For Primary Production Land Use, five (5) times the base amount or \$245.30 per rateable property (\$240.34 in 2025-2026)

Any queries relating to the Regional Landscape Levy should be directed to:

SA Arid Lands Landscape Board
1 Jervois Street (PO Box 297), PORT AUGUSTA SA 5700
P: 08 8429 9666
E: SAALLandscapeBoard@sa.gov.au

RESPONSIBILITIES

The Director Finance and Administration is accountable for ensuring the proper operation of this Policy.

The Senior Leadership Team will actively contribute to and ensure their departmental activities are conducted in an environment to ensure adherence to this Policy.

LEGISLATION

Local Government Act 1999
Local Government (Financial Management) Regulations 2026
Local Government (General) Regulations 2013
Landscape South Australia Act 2019

REFERENCES

Nil

REVIEW

This Policy shall be reviewed at least every 12 months as part of the Annual Business Plan process or more frequently if legislation or Council requires changes to the content.

Approved for Consultation 08 July 2026

Adopted by Council 18 August 2026

	THE FLINDERS RANGES COUNCIL 2026-2027 ANNUAL BUSINESS PLAN	Version Number Issued Last Review Next Review GDS Page	05.01/2027 06 August 2026 06 August 2026 01 May 2027 7.11.1 15 of 19
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Appendix 3 – Statutory Statements (As Adopted)

The Flinders Ranges Council
LONG TERM FINANCIAL PLAN 2026 - 2036
STATEMENT of COMPREHENSIVE INCOME

v05.01 - As Adopted - 06 August 2026

2021 \$	2022 \$	2023 \$	2024 \$	2025 \$	2026 YTD	2026 Budget		2027 \$	2028 \$	2029 \$	2030 \$	2031 \$	2032 \$	2033 \$	2034 \$	2035 \$	2036 \$
INCOME																	
2,361,646	2,463,143	2,591,464	2,772,252	2,919,276	3,042,352	3,041,680	Rates	3,202,149	3,319,200	3,437,400	3,559,600	3,684,900	3,774,400	3,866,800	3,960,800	4,057,700	4,156,400
66,529	46,412	51,806	48,454	50,376	46,880	61,500	Statutory charges	57,000	58,800	61,000	63,100	65,200	66,700	68,300	69,900	71,800	73,500
82,175	105,681	141,593	174,113	204,766	199,364	192,000	User charges	180,500	186,600	193,000	199,700	206,100	211,200	216,400	221,600	226,700	232,300
3,177,971	3,238,707	3,261,417	2,660,588	2,139,699	3,195,339	1,999,100	Grants, subsidies and contributions - Operating	2,564,700	2,633,800	2,705,300	2,778,900	2,852,400	2,908,400	2,966,400	3,024,400	3,084,500	3,146,300
			576,521	183,739	1,438,567	535,500	Grants, subsidies and contributions - Capital		100,500	103,000	105,563	108,190	110,882	113,642	116,470	119,369	122,341
19,698	18,271	48,749	57,177	41,852	40,738	46,100	Investment Income	46,500	48,000	49,600	51,200	52,900	54,100	55,400	56,700	58,000	59,400
56,022	58,891	77,961	25,719	195,404	81,453	37,400	Reimbursements	64,600	66,700	68,800	70,900	73,400	75,100	76,900	78,800	80,600	82,600
457,062	443,024	449,797	410,566	491,984	499,989	507,300	Other income	491,200	487,200	503,700	520,700	537,700	550,500	564,000	577,500	591,200	605,900
6,221,103	6,374,129	6,622,787	6,725,390	6,227,096	8,544,680	6,420,580	Total Income	6,606,649	6,900,800	7,121,800	7,349,663	7,580,790	7,751,282	7,927,842	8,106,170	8,289,869	8,478,741
EXPENSES																	
1,773,907	1,850,510	1,900,054	1,972,668	1,989,418	1,910,584	2,380,800	Employee costs	2,371,700	2,432,500	2,496,100	2,560,200	2,626,000	2,693,300	2,763,000	2,833,200	2,906,100	2,980,800
2,783,349	2,891,370	2,972,680	3,106,697	3,325,635	3,027,498	3,014,830	Materials, contracts & other expenses	3,141,449	3,162,500	3,196,700	3,264,600	3,323,319	3,411,675	3,519,711	3,616,600	3,711,200	3,811,300
5,504	4,435	5,041	3,509	2,016	5,229	7,490	Finance costs	7,572	3,606	123		10,681	13,625	2,789			
1,512,969	1,517,345	1,509,383	1,614,303	1,562,046	1,229,615	1,649,600	Depreciation, amortisation & impairment	1,649,600	1,606,200	1,593,500	1,564,100	1,532,800	1,510,300	1,481,500	1,467,600	1,444,800	1,415,400
6,075,729	6,263,660	6,387,158	6,697,178	6,879,114	6,172,927	7,052,720	Total Expenses	7,170,321	7,204,806	7,286,423	7,388,900	7,492,800	7,628,900	7,767,000	7,917,400	8,062,100	8,207,500
145,374	110,469	235,629	28,213	(652,018)	2,371,753	(632,140)	OPERATING SURPLUS / (DEFICIT)	(563,672)	(304,006)	(164,623)	(39,237)	87,990	122,382	160,842	188,770	227,769	271,241
9,623	(42,837)	(4,963)	(102)	10,246	6,914		Asset disposal & fair value adjustments										
742,455	983,092	966,402	338,726		72,502	135,000	Amounts received specifically for new or upgraded assets	200,000									
				81,420	60,012	25,000	Amounts Received Specifically for New Assets										
							Amounts Received Specifically for Upgraded Assets										
							Physical resources received free of charge										
897,452	1,050,724	1,197,068	366,837	(560,352)	2,511,181	(472,140)	Operating result from discontinued operations										
							NET SURPLUS / (DEFICIT)	(363,672)	(304,006)	(164,623)	(39,237)	87,990	122,382	160,842	188,770	227,769	271,241
897,452	1,050,724	1,197,068	366,837	(560,352)	2,511,181	(472,140)	TOTAL COMPREHENSIVE INCOME	(363,672)	(304,006)	(164,623)	(39,237)	87,990	122,382	160,842	188,770	227,769	271,241

The Flinders Ranges Council
LONG TERM FINANCIAL PLAN 2026 - 2036
STATEMENT OF FINANCIAL POSITION

v05.01 - As Adopted - 06 August 2026

2021 \$	2022 \$	2023 \$	2024 \$	2025 \$	2026 YTD	2026 Budget		2027 \$	2028 \$	2029 \$	2030 \$	2031 \$	2032 \$	2033 \$	2034 \$	2035 \$	2036 \$
							ASSETS										
							Current Assets										
3,270,184	3,076,108	1,858,185	573,154	1,026,413	2,323,131	495,310	Cash and cash equivalents	1,012,028	900,022	871,980	1,184,402	1,547,663	1,797,716	2,279,111	2,532,650	2,995,487	3,616,762
493,139	469,299	855,085	960,529	1,164,727	578,492	538,800	Trade & other receivables	580,000	580,000	580,000	580,000	580,000	580,000	580,000	580,000	580,000	580,000
							Other financial assets										
177,812	175,503	247,813	236,424	202,472	183,481	250,600	Inventories	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
3,941,135	3,720,910	2,961,083	1,770,106	2,393,612	3,085,104	1,284,710		1,792,028	1,680,022	1,651,980	1,964,402	2,327,663	2,577,716	3,059,111	3,312,650	3,775,487	4,396,762
3,941,135	3,720,910	2,961,083	1,770,106	2,393,612	3,085,104	1,284,710	Non-current Assets held for Sale	1,792,028	1,680,022	1,651,980	1,964,402	2,327,663	2,577,716	3,059,111	3,312,650	3,775,487	4,396,762
							Total Current Assets										
							Non-current Assets										
							Financial Assets										
20,049	14,632	8,972	3,057				Infrastructure Property, Plant and Equipment	60,764,100	61,423,200	62,241,020	62,874,761	63,881,290	64,610,419	65,257,766	66,280,697	67,160,529	67,953,295
53,782,243	53,834,852	55,190,159	57,203,956	57,150,355	56,365,504	59,599,450	Other non-current assets										
1,304,482	2,802,530	2,952,063	868,803	156,934	1,850,406			60,764,100	61,423,200	62,241,020	62,874,761	63,881,290	64,610,419	65,257,766	66,280,697	67,160,529	67,953,295
55,106,774	56,652,014	58,151,194	58,075,815	57,307,289	58,215,910	59,599,450	Total Non-Current assets	60,764,100	61,423,200	62,241,020	62,874,761	63,881,290	64,610,419	65,257,766	66,280,697	67,160,529	67,953,295
59,047,909	60,372,924	61,112,277	59,845,921	59,700,901	61,301,014	60,884,160	Total Assets	62,556,128	63,103,222	63,893,000	64,839,163	66,208,953	67,188,135	68,316,877	69,593,347	70,936,016	72,350,057
							LIABILITIES										
							Current Liabilities										
1,465,637	1,946,309	2,362,969	803,685	1,342,237	471,534	1,281,000	Trade & other payables	493,500	493,500	493,500	493,500	493,500	493,500	493,500	493,500	493,500	493,500
43,599	44,383	48,315	418,276	15,853	232,622	150,400	Borrowings	86,800	7,000			178,500	93,300				
2,126,038	1,975,625	1,122,778	704,396	971,656	727,769	716,300	Provisions	730,000	730,000	730,000	730,000	730,000	730,000	730,000	730,000	730,000	730,000
							Other current liabilities										
3,635,274	3,966,317	3,534,062	1,926,358	2,329,746	1,431,925	2,147,700	Total Current Liabilities	1,310,300	1,230,500	1,223,500	1,223,500	1,402,000	1,316,800	1,223,500	1,223,500	1,223,500	1,223,500
							Non-current Liabilities										
							Trade & other payables										
157,702	113,319	68,127	49,850	33,997	20,750	84,500	Borrowings	7,000				93,300					
40,443	28,074	47,806	40,593	68,391	68,391	40,000	Provisions	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000
							Other non-current liabilities										
198,145	141,393	115,933	90,443	102,388	89,141	124,500	Total Non-Current Liabilities	77,000	70,000	70,000	70,000	163,300	70,000	70,000	70,000	70,000	70,000
3,833,419	4,107,710	3,649,995	2,016,801	2,432,134	1,521,066	2,272,200	Total Liabilities	1,387,300	1,300,500	1,293,500	1,293,500	1,565,300	1,386,800	1,293,500	1,293,500	1,293,500	1,293,500
55,214,490	56,265,214	57,462,282	57,829,120	57,268,767	59,779,948	58,611,960	NET ASSETS	61,168,828	61,802,722	62,599,500	63,545,663	64,643,653	65,801,335	67,023,377	68,299,847	69,642,516	71,056,557
							EQUITY										
17,511,693	18,653,710	19,990,059	20,362,406	19,554,943	21,987,256	20,328,260	Accumulated Surplus	21,488,328	21,094,822	20,764,800	20,543,263	20,481,853	20,399,335	20,348,977	20,321,047	20,325,116	20,366,257
35,764,708	35,764,708	35,764,708	35,764,708	35,764,708	35,764,708	36,408,500	Asset Revaluation Reserve	37,517,200	38,455,100	39,416,500	40,401,900	41,411,900	42,447,200	43,508,400	44,596,100	45,711,000	46,853,800
1,938,089	1,846,796	1,707,515	1,702,006	1,949,117	2,027,984	1,875,200	Other Reserves	2,163,300	2,252,800	2,418,200	2,600,500	2,749,900	2,954,800	3,166,000	3,382,700	3,606,400	3,836,500
55,214,490	56,265,214	57,462,282	57,829,120	57,268,767	59,779,948	58,611,960	TOTAL EQUITY	61,168,828	61,802,722	62,599,500	63,545,663	64,643,653	65,801,335	67,023,377	68,299,847	69,642,516	71,056,557

The Flinders Ranges Council
LONG TERM FINANCIAL PLAN 2026 - 2036
STATEMENT of CHANGES IN EQUITY

v05.01 - As Adopted - 06 August 2026

2021 \$	2022 \$	2023 \$	2024 \$	2025 \$	2026 YTD	2026 Budget		2027 \$	2028 \$	2029 \$	2030 \$	2031 \$	2032 \$	2033 \$	2034 \$	2035 \$	2036 \$
ACCUMULATED SURPLUS																	
16,598,993	17,511,693	18,653,710	19,990,059	20,362,406	19,554,943	20,868,700	Balance at end of previous reporting period	21,987,300	21,488,328	21,094,822	20,764,800	20,543,263	20,481,853	20,399,335	20,348,977	20,321,047	20,325,116
897,452	1,050,724	1,197,068	366,837	(560,352)	2,511,181	(472,140)	Net Surplus / (Deficit) for Year	(363,672)	(304,006)	(164,623)	(39,237)	87,990	122,382	160,842	188,770	227,769	271,241
(175,027)	(168,933)	(92,440)	(153,991)	(299,252)	(79,033)	(68,300)	Transfers to Other Reserves	(135,300)	(149,500)	(165,400)	(182,300)	(199,400)	(204,900)	(211,200)	(216,700)	(223,700)	(230,100)
190,275	260,226	231,721	159,501	52,141	165		Transfers from Other Reserves		60,000			50,000					
17,511,693	18,653,710	19,990,059	20,362,406	19,554,943	21,987,256	20,328,260	Balance at end of period	21,488,328	21,094,822	20,764,800	20,543,263	20,481,853	20,399,335	20,348,977	20,321,047	20,325,116	20,366,257
ASSET REVALUATION RESERVE																	
35,764,708	35,764,708	35,764,708	35,764,708	35,764,708	35,764,708	36,408,500	Balance at end of previous reporting period	35,764,700	37,517,200	38,455,100	39,416,500	40,401,900	41,411,900	42,447,200	43,508,400	44,596,100	45,711,000
							Gain on revaluation of infrastructure, property, plant & equipment	1,752,500	937,900	961,400	985,400	1,010,000	1,035,300	1,061,200	1,087,700	1,114,900	1,142,800
							Transfer to Accumulated Surplus on sale of infrastructure, property, plant & equipment										
35,764,708	35,764,708	35,764,708	35,764,708	35,764,708	35,764,708	36,408,500	Balance at end of period	37,517,200	38,455,100	39,416,500	40,401,900	41,411,900	42,447,200	43,508,400	44,596,100	45,711,000	46,853,800
OTHER RESERVES																	
1,953,337	1,938,039	1,846,796	1,707,515	1,702,006	1,949,117	1,806,900	Balance at end of previous reporting period	2,028,000	2,163,300	2,252,800	2,418,200	2,600,500	2,749,900	2,954,800	3,166,000	3,382,700	3,606,400
175,027	168,933	92,440	153,991	299,252	79,033	68,300	Transfers from Accumulated Surplus	135,300	149,500	165,400	182,300	199,400	204,900	211,200	216,700	223,700	230,100
(190,275)	(260,226)	(231,721)	(159,501)	(52,141)	(165)		Transfers to Accumulated Surplus		(60,000)			(50,000)					
1,938,089	1,846,746	1,707,515	1,702,005	1,949,117	2,027,984	1,875,200	Balance at end of period	2,163,300	2,252,800	2,418,200	2,600,500	2,749,900	2,954,800	3,166,000	3,382,700	3,606,400	3,836,500
55,214,490	56,265,164	57,462,282	57,829,119	57,268,767	59,779,948	58,611,960	TOTAL EQUITY AT END OF REPORTING PERIOD	61,168,828	61,802,722	62,599,500	63,545,663	64,643,653	65,801,335	67,023,377	68,299,847	69,642,516	71,056,557

The Flinders Ranges Council
LONG TERM FINANCIAL PLAN 2026 - 2036
STATEMENT OF CASH FLOWS

v05.01 - As Adopted - 06 August 2026

2021 \$	2022 \$	2023 \$	2024 \$	2025 \$	2026 YTD	2026 Budget		2027 \$	2028 \$	2029 \$	2030 \$	2031 \$	2032 \$	2033 \$	2034 \$	2035 \$	2036 \$	
CASHFLOWS FROM OPERATING ACTIVITIES																		
Receipts																		
6,098,596	6,940,228	6,776,131	4,692,662	7,103,686			Operating receipts											
					3,042,352	3,041,700	Rates	3,202,100	3,319,200	3,437,400	3,559,600	3,684,900	3,774,400	3,866,800	3,960,800	4,057,700	4,156,400	
					46,880	61,500	Statutory charges	57,000	58,800	61,000	63,100	65,200	66,700	68,300	69,900	71,800	73,500	
					199,364	192,000	User charges	180,500	186,600	193,000	199,700	206,100	211,200	216,400	221,600	226,700	232,300	
					3,464,537	1,999,100	Grants, subsidies and contributions - Operating	2,564,700	2,633,800	2,705,300	2,778,900	2,852,400	2,908,400	2,966,400	3,024,400	3,084,500	3,146,300	
19,698	16,788	51,089	57,177	41,852	40,738	46,100	Investment receipts	46,500	48,000	49,600	51,200	52,900	54,100	55,400	56,700	58,000	59,400	
					81,453	37,400	Reimbursements	64,600	66,700	68,800	70,900	73,400	75,100	76,900	78,800	80,600	82,600	
					499,989	507,400	Other income	491,200	487,200	503,700	520,700	537,700	550,500	564,000	577,500	591,200	605,900	
Payments																		
(3,153,857)	(4,705,543)	(5,042,949)	(5,787,448)	(5,644,684)	(1,910,584)	(2,380,800)	Operating payments to suppliers and employees	(2,371,700)	(2,432,500)	(2,496,100)	(2,560,200)	(2,626,000)	(2,693,300)	(2,763,000)	(2,833,200)	(2,906,100)	(2,980,800)	
					(3,856,919)	(3,014,800)	Employee costs	(3,141,400)	(3,162,500)	(3,196,700)	(3,264,600)	(3,323,300)	(3,411,700)	(3,519,700)	(3,616,600)	(3,711,200)	(3,811,300)	
(5,097)	(4,681)	(2,122)	(5,168)	(2,765)	(7,297)	(7,490)	Materials, contracts & other expenses			(123)		(10,681)	(13,625)	(2,789)				
							Finance payments	(7,572)	(3,606)									
2,959,340	2,246,792	1,782,149	(1,042,778)	1,498,089	1,600,512	482,110	Net Cash provided by (or used in) Operating Activities	1,085,928	1,201,694	1,325,877	1,419,300	1,512,619	1,521,775	1,528,711	1,539,900	1,553,200	1,564,300	
CASH FLOWS FROM INVESTING ACTIVITIES																		
Receipts																		
742,454	746,960	241,600					Amounts specifically for new or upgraded assets											
			49,050		72,502	135,000	Amounts Received Specifically for New Assets	200,000										
			289,676	81,420	60,012	25,000	Amounts Received Specifically for Upgraded Assets											
			576,521	183,739	1,438,567	535,500	Operating Grants Used for Capital Purposes		100,500	103,000	105,563	108,190	110,882	113,642	116,470	119,369	122,341	
45,455	8,773	3,782	3,636	14,818	147,727	40,000	Sale of replaced assets	10,000	113,100	150,900	127,500	213,300	80,000	38,900	170,300	84,900	38,300	
4,960	5,183	5,416	5,660	5,915	3,057	3,100	Repayment of Community Loans											
Payments																		
(1,270,205)	(1,335,736)	(2,958,579)	(943,862)				Expenditure on renewal/replacement of assets											
				(121,755)	(300,395)	(140,000)	Expenditure on Renewal of Assets	(307,500)	(588,900)	(619,120)	(459,741)	(531,268)	(996,804)	(929,558)	(963,731)	(963,232)	(952,966)	
				(541,760)	(597,817)	(301,400)	Expenditure on Replacement of Assets	(103,900)	(401,100)	(546,200)	(444,700)	(755,900)	(287,300)	(177,000)	(589,400)	(331,400)	(150,700)	
(1,661,398)	(1,822,449)	(249,350)	(583,134)				Expenditure on new/upgraded assets											
				(24,185)	(138,634)	(281,000)	Expenditure on New Assets	(277,500)	(15,000)			(20,000)			(20,000)			
				(216,232)	(1,192,335)	(523,000)	Expenditure on Upgraded Assets	(435,500)	(435,500)	(435,500)	(435,500)	(435,500)						
(2,138,734)	(2,397,269)	(2,957,131)	(602,453)	(618,040)	(507,316)	(506,800)	Net Cash provided by (or used in) Investing Activities	(914,400)	(1,226,900)	(1,346,920)	(1,106,878)	(1,421,178)	(1,093,222)	(954,016)	(1,286,361)	(1,090,363)	(943,025)	
CASH FLOWS FROM FINANCING ACTIVITIES																		
Receipts																		
			400,000	650,000	292,500		Proceeds from Borrowings - Long Term					357,220						
			8,514				Proceeds from Borrowings - Short Term											
							Proceeds from of Bonds, Retentions & Deposits											
(15,724)	(16,326)	(16,952)	(17,601)	(18,276)	(15,763)	(179,900)	Payments											
				(1,050,000)	(73,215)		Repayments of Borrowings - Long Term	(13,250)	(13,675)	(7,000)		(85,400)	(178,500)	(93,300)				
(29,627)	(27,273)	(25,989)	(30,714)				Repayments of Borrowings - Short Term	(146,250)	(73,125)									
				(8,514)			Repayment of Finance Lease Liabilities											
							Repayment of Bonds, Retentions & Deposits											
(45,351)	(43,599)	(42,941)	360,199	(426,790)	203,522	(179,900)	Net Cash provided by (or used in) Financing Activities	B (159,500)	(86,800)	(7,000)		271,820	(178,500)	(93,300)				
775,255	(194,076)	(1,217,923)	(1,285,032)	453,259	1,296,718	(204,590)	Net Increase / (Decrease) in cash held	D 12,028	(112,006)	(28,043)	312,422	363,261	250,053	481,395	253,539	462,837	621,275	
2,494,928	3,270,184	3,076,108	1,858,185	573,154	1,026,413	700,000	Cash & cash equivalents at beginning of period	1,000,000	1,012,028	900,022	871,980	1,184,402	1,547,663	1,797,716	2,279,111	2,532,650	2,995,487	
3,270,183	3,076,108	1,858,185	573,153	1,026,413	2,323,131	495,410	Cash & cash equivalents at end of period	1,012,028	900,022	871,980	1,184,402	1,547,663	1,797,716	2,279,111	2,532,650	2,995,487	3,616,762	

**The Flinders Ranges Council
LONG TERM FINANCIAL PLAN 2026 - 2036
UNIFORM PRESENTATION OF FINANCES**

v05.01 - As Adopted - 06 August 2026

	2021 \$	2022 \$	2023 \$	2024 \$	2025 \$	Budget 2026 \$	YTD 2026 \$	Budget 2027 \$	2028 \$	2029 \$	2030 \$	2031 \$	2032 \$	2033 \$	2034 \$	2035 \$	2036 \$
Operating Revenues	6,221,103	6,374,129	6,622,787	6,725,390	6,227,096												
Rates						3,041,680	3,042,352	3,202,149	3,319,200	3,437,400	3,559,600	3,684,900	3,774,400	3,866,800	3,960,800	4,057,700	4,156,400
Statutory charges						61,500	46,880	57,000	58,800	61,000	63,100	65,200	66,700	68,300	69,900	71,800	73,500
User charges						192,000	199,364	180,500	186,600	193,000	199,700	206,100	211,200	216,400	221,600	226,700	232,300
Grants, subsidies and contributions - Operating						1,999,100	3,195,339	2,564,700	2,633,800	2,705,300	2,778,900	2,852,400	2,908,400	2,966,400	3,024,400	3,084,500	3,146,300
Grants, subsidies and contributions - Capital						535,500	1,438,567		100,500	103,000	105,563	108,190	110,882	113,642	116,470	119,369	122,341
Investment Income						46,100	40,738	46,500	48,000	49,600	51,200	52,900	54,100	55,400	56,700	58,000	59,400
Reimbursements						37,400	81,453	64,600	66,700	68,800	70,900	73,400	75,100	76,900	78,800	80,600	82,600
Other income						507,300	499,989	491,200	487,200	503,700	520,700	537,700	550,500	564,000	577,500	591,200	605,900
less Operating Expenses	(6,075,729)	(6,263,660)	(6,387,158)	(6,697,177)	(6,879,114)												
Employee costs						(2,380,800)	(1,910,584)	(2,371,700)	(2,432,500)	(2,496,100)	(2,560,200)	(2,626,000)	(2,693,300)	(2,763,000)	(2,833,200)	(2,906,100)	(2,980,800)
Materials, contracts & other expenses						(3,014,830)	(3,027,498)	(3,141,449)	(3,162,500)	(3,196,700)	(3,264,600)	(3,323,319)	(3,411,675)	(3,519,711)	(3,616,600)	(3,711,200)	(3,811,300)
Finance costs						(7,490)	(5,229)	(7,572)	(3,606)	(123)		(10,681)	(13,625)	(2,789)			
Depreciation, amortisation & impairment						(1,649,600)	(1,229,615)	(1,649,600)	(1,606,200)	(1,593,500)	(1,564,100)	(1,532,800)	(1,510,300)	(1,481,500)	(1,467,600)	(1,444,800)	(1,415,400)
Operating Surplus / (Deficit)	145,374	110,469	235,629	28,213	(652,018)	(632,140)	2,371,753	(563,672)	(304,006)	(164,623)	(39,237)	87,990	122,382	160,842	188,770	227,769	271,241
less Grants, Subsidies & Contributions - Capital				(576,521)	(183,739)	(535,500)	(1,438,567)		(100,500)	(103,000)	(105,563)	(108,190)	(110,882)	(113,642)	(116,470)	(119,369)	(122,341)
Adjusted Operating Surplus / (Deficit)				(548,308)	(835,757)	(1,167,640)	933,186	(563,672)	(404,506)	(267,623)	(144,800)	(20,200)	11,500	47,200	72,300	108,400	148,900
Net Outlays on Existing Assets																	
Capital Expenditure on renewal/replacement of Existing Assets	(1,270,205)	(1,335,736)	(2,958,579)	(943,862)													
Capital Expenditure on Renewal of Existing Assets					(121,755)	(140,000)	(300,395)	(307,500)	(588,900)	(619,120)	(459,741)	(531,268)	(996,804)	(929,558)	(963,731)	(963,232)	(952,966)
Capital Expenditure on Replacement of Existing Assets					(541,760)	(301,400)	(597,817)	(103,900)	(401,100)	(546,200)	(444,700)	(755,900)	(287,300)	(177,000)	(589,400)	(331,400)	(150,700)
add back Op Grants, Subsidies & Contributions - Capital - Renewal									100,500	103,000	105,563	108,190	110,882	113,642	116,470	119,369	122,341
add back Op Grants, Subsidies & Contributions - Capital - Replacement																	
add back Depreciation, Amortisation and Impairment	1,512,969	1,517,345	1,509,383	1,614,303	1,562,046	1,649,600	1,229,615	1,649,600	1,606,200	1,593,500	1,564,100	1,532,800	1,510,300	1,481,500	1,467,600	1,444,800	1,415,400
add back Proceeds from Sale of Replaced Assets	45,455	8,773	3,782	3,636	14,818	40,000	147,727	10,000	113,100	150,900	127,500	213,300	80,000	38,900	170,300	84,900	38,300
	288,219	190,382	(1,445,414)	674,077	913,349	1,248,200	479,130	1,248,200	829,800	682,080	892,722	567,122	417,078	527,484	201,239	354,437	472,375
Net Outlays on New and Upgraded Assets																	
Capital Expenditure on New and Upgraded Assets	(1,661,398)	(1,822,449)	(249,350)	(583,134)													
Capital Expenditure on New Assets					(24,185)	(281,000)	(138,634)	(277,500)	(15,000)			(20,000)			(20,000)		
Capital Expenditure on Upgraded Assets					(216,232)	(523,000)	(1,192,335)	(435,500)	(435,500)	(435,500)	(435,500)	(435,500)					
add back Op Grants, Subsidies & Contributions - Capital - New																	
add back Op Grants, Subsidies & Contributions - Capital - Upgraded					183,739	535,500	1,438,567										
add back Amounts received specifically for New/Upgraded Assets	742,455	983,092	966,402	338,726													
add back Amounts Received Specifically for New Assets						135,000	72,502	200,000									
add back Amounts Received Specifically for Upgraded Assets					81,420	25,000	60,012										
add back Proceeds from Sale of Surplus Assets																	
	(918,943)	(839,357)	717,052	(244,408)	24,742	(108,500)	240,112	(513,000)	(450,500)	(435,500)	(435,500)	(455,500)	-	-	(20,000)	-	-
Adjusted Annual Net Impact to Financing Activities (Surplus/(Defecit))	(485,350)	(538,506)	(492,733)	457,882	102,334	(27,940)	1,652,429	171,528	(25,206)	(21,043)	312,422	91,422	428,578	574,684	253,539	462,837	621,275



The Flinders Ranges Council
LONG TERM FINANCIAL PLAN 2026 - 2036
STATEMENT OF COMPREHENSIVE INCOME over FUNCTIONS

v05.01 - As Adopted - 06 August 2026

2021 \$	2022 \$	2023 \$	2024 \$	2025 \$	2026 YTD	2026 Budget
3,055,282	3,159,826	3,400,064	3,590,779	3,649,873	5,023,243	3,763,100
630	350	946			1,419	
9,909	28,687	6,586	6,358	52,648	10,472	8,000
516,008	540,509	578,880	618,521	678,584	789,783	684,300
101,127	97,038	112,136	130,741	115,644	162,082	111,500
46,032	47,610	61,242	93,062	94,730	99,120	98,780
63,977	40,392	44,593	44,751	45,771	40,462	56,000
949,868	1,250,891	1,196,175	1,765,141	972,073	1,912,610	1,100,500
1,364,517	1,027,845	715,218	314,589	377,854	369,224	387,000
113,753	180,981	506,947	161,447	239,920	136,265	211,400
6,221,103	6,374,129	6,622,787	6,725,390	6,227,097	8,544,680	6,420,580

51,635	362,947	399,029	471,880	488,920	506,352	530,000
34,444	45,914	44,598	48,065	34,159	25,897	66,300
8,543						
90,165	94,796	66,356	48,579	72,455	60,637	85,400
1,031,284	1,052,620	1,224,155	1,368,739	1,376,031	1,366,223	1,361,800
1,831,525	1,710,863	1,650,103	1,929,538	2,207,074	1,865,166	2,041,672
58,336	65,404	59,983	96,817	99,237	104,984	109,580
171,165	205,546	158,909	89,697	68,622	69,375	152,800
1,664,293	1,509,765	1,341,856	1,389,715	1,406,953	1,338,947	1,558,400
707,418	736,679	708,370	675,895	670,296	686,496	665,800
302,055	500,397	444,688	417,110	475,829	425,104	480,968
124,865	(21,271)	289,111	161,140	(20,461)	(276,254)	
6,075,728	6,263,660	6,387,158	6,697,177	6,879,115	6,172,927	7,052,720

145,375	110,469	235,629	28,213	(652,018)	2,371,753	(632,140)
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3,003,647	2,796,879	3,001,035	3,118,899	3,160,953	4,516,891	3,233,100
(33,814)	(45,564)	(43,652)	(48,065)	(34,159)	(24,478)	(66,300)
(8,543)						
(80,256)	(66,109)	(59,770)	(42,221)	(19,807)	(50,165)	(77,400)
(515,276)	(512,111)	(645,275)	(750,218)	(697,447)	(576,440)	(677,500)
(1,730,398)	(1,613,825)	(1,537,967)	(1,798,797)	(2,091,430)	(1,703,084)	(1,930,172)
(12,304)	(17,794)	1,259	(3,755)	(4,507)	(5,864)	(10,800)
(107,188)	(165,154)	(114,316)	(44,946)	(22,851)	(28,913)	(96,800)
(714,425)	(258,874)	(145,681)	375,426	(434,880)	573,663	(457,900)
657,099	291,166	6,848	(361,306)	(292,442)	(317,272)	(278,800)
(188,302)	(319,416)	62,259	(255,663)	(235,909)	(288,839)	(269,568)
(124,865)	21,271	(289,111)	(161,140)	20,461	276,254	
145,375	110,469	235,629	28,213	(652,018)	2,371,753	(632,140)

REVENUE

Administraton
Public Order & Health
Health
Community Welfare
Community Amenities
Culture & Recreation
Agriculture
Regulatory Services
Transport & Communication
Economic Development
Not Elsewhere Classified
Works - Indirect

TOTAL REVENUES

EXPENSES

Administraton
Public Order & Safety
Health
Community Welfare
Community Amenities
Culture & Recreation
Agriculture
Regulatory Services
Transport & Communication
Economic Development
Not Elsewhere Classified
Works - Indirect

TOTAL EXPENSES

OPERATING SURPLUS / (DEFICIT) BEFORE CAPITAL

NET SURPLUS / (DEFICIT)

Administraton
Public Order & Safety
Health
Community Welfare
Community Amenities
Culture & Recreation
Agriculture
Regulatory Services
Transport and Communication
Economic Development
Not Elsewhere Classified
Works - Indirect

NET SURPLUS/(DEFICIT)

2027 \$	2028 \$	2029 \$	2030 \$	2031 \$	2032 \$	2033 \$	2034 \$	2035 \$	2036 \$
3,947,450	4,063,800	4,204,500	4,349,800	4,498,400	4,609,300	4,723,700	4,839,800	4,959,100	5,081,700
1,000	1,100	1,100	1,100	1,200	1,200	1,200	1,200	1,300	1,300
6,500	6,700	7,000	7,300	7,500	7,700	7,800	8,000	8,200	8,400
727,400	752,700	781,200	810,600	839,900	858,400	877,900	897,300	917,500	938,000
128,300	132,600	137,000	141,600	146,200	149,700	153,400	157,100	160,800	164,600
101,799	110,500	114,200	118,100	122,000	124,900	128,000	131,000	134,200	137,400
51,500	53,200	55,200	57,000	59,000	60,300	61,700	63,200	64,900	66,400
1,110,500	1,230,200	1,253,000	1,276,463	1,299,890	1,318,482	1,337,642	1,356,870	1,376,869	1,397,241
373,000	385,800	399,000	412,600	426,100	436,300	447,100	457,700	468,700	480,100
142,700	147,300	152,200	157,300	162,300	166,300	170,200	174,300	178,200	182,900
16,500	16,900	17,400	17,800	18,300	18,700	19,200	19,700	20,100	20,700
6,606,649	6,900,800	7,121,800	7,349,663	7,580,790	7,751,282	7,927,842	8,106,170	8,289,869	8,478,741

561,400	578,000	592,600	607,800	622,500	638,400	654,500	670,600	687,100	704,400
35,700	37,200	38,200	39,000	40,500	41,400	42,400	43,300	44,100	44,700
31,000	88,900	89,800	91,000	92,100	93,100	94,300	95,400	96,400	97,500
1,436,800	1,453,200	1,484,800	1,518,400	1,551,300	1,586,600	1,622,600	1,659,300	1,695,800	1,733,700
2,124,322	2,132,606	2,164,123	2,190,800	2,218,000	2,248,000	2,276,700	2,312,000	2,343,700	2,374,800
110,699	119,700	123,600	127,900	131,900	134,900	138,400	141,500	145,100	148,500
144,700	147,800	126,000	129,400	132,400	135,800	139,200	142,400	145,900	149,600
1,659,500	1,583,800	1,603,000	1,618,800	1,636,300	1,656,000	1,676,500	1,700,700	1,723,100	1,743,600
699,300	715,100	732,700	751,000	769,500	788,200	807,600	827,500	847,600	868,100
383,400	365,400	349,000	332,600	316,600	325,200	334,000	344,400	353,400	363,300
(16,500)	(16,900)	(17,400)	(17,800)	(18,300)	(18,700)	(19,200)	(19,700)	(20,100)	(20,700)
7,170,321	7,204,806	7,286,423	7,388,900	7,492,800	7,628,900	7,767,000	7,917,400	8,062,100	8,207,500

(563,672)	(304,006)	(164,623)	(39,237)	87,990	122,382	160,842	188,770	227,769	271,241
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3,386,050	3,485,800	3,611,900	3,742,000	3,875,900	3,970,900	4,069,200	4,169,200	4,272,000	4,377,300
(34,700)	(36,100)	(37,100)	(37,900)	(39,300)	(40,200)	(41,200)	(42,100)	(42,800)	(43,400)
(24,500)	(82,200)	(82,800)	(83,700)	(84,600)	(85,400)	(86,500)	(87,400)	(88,200)	(89,100)
(709,400)	(700,500)	(703,600)	(707,800)	(711,400)	(728,200)	(744,700)	(762,000)	(778,300)	(795,700)
(1,996,022)	(2,000,006)	(2,027,123)	(2,049,200)	(2,071,800)	(2,098,300)	(2,123,300)	(2,154,900)	(2,182,900)	(2,210,200)
(8,900)	(9,200)	(9,400)	(9,800)	(9,900)	(10,000)	(10,400)	(10,500)	(10,900)	(11,100)
(93,200)	(94,600)	(70,800)	(72,400)	(73,400)	(75,500)	(77,500)	(79,200)	(81,000)	(83,200)
(549,000)	(353,600)	(350,000)	(342,337)	(336,410)	(337,518)	(338,858)	(343,830)	(346,231)	(346,359)
(326,300)	(329,300)	(333,700)	(338,400)	(343,400)	(351,900)	(360,500)	(369,800)	(378,900)	(388,000)
(240,700)	(218,100)	(196,800)	(175,300)	(154,300)	(158,900)	(163,800)	(170,100)	(175,200)	(180,400)
33,000	33,800	34,800	35,600	36,600	37,400	38,400	39,400	40,200	41,400
(563,672)	(304,006)	(164,623)	(39,237)	87,990	122,382	160,842	188,770	227,769	271,241

The Flinders Ranges Council
LONG TERM FINANCIAL PLAN 2026 - 2036
FINANCIAL INDICATORS

v05.01 - As Adopted - 06 August 2026

	Actual 2021	Actual 2022	Actual 2023	Actual 2024	Actual 2025	YTD 2026	Budget 2026	Budget 2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Operating Surplus (Deficit)	145,374	110,469	235,629	28,213	(652,018)	2,371,753	(632,140)	(563,672)	(304,006)	(164,623)	(39,237)	87,990	122,382	160,842	188,770	227,769	271,241
Operating Surplus Ratio (=Adjusted Operating Surplus / Total Revenue)	2%	2%	4%	0%	(10%)	28%	(10%)	(9%)	(4%)	(2%)	(1%)	1%	2%	2%	2%	3%	3%
Net Financial Liabilities (=Financial Liabilities - Financial Assets)	14,757	547,671	927,753	480,062	240,994	(1,380,557)	1,238,090	(204,728)	(179,522)	(158,480)	(470,902)	(562,363)	(990,916)	(1,565,611)	(1,819,150)	(2,281,987)	(2,903,262)
Net Financial Liabilities Ratio (=Net Financial Liabilities / Total Operating Revenue)	1%	9%	14%	7%	4%	(16%)	19%	(3%)	(3%)	(2%)	(6%)	(7%)	(13%)	(20%)	(22%)	(28%)	(34%)
Asset Renewal Funding Ratio (=Net Asset Renewals / I& Required Expenditure)	119%	127%	277%	86%	57%	65%	35%	33%	71%	80%	60%	81%	88%	76%	97%	82%	71%

	THE FLINDERS RANGES COUNCIL 2026-2027 ANNUAL BUSINESS PLAN	Version Number Issued Last Review Next Review GDS Page	05.01/2027 06 August 2026 06 August 2026 01 May 2027 7.11.1 16 of 19
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Appendix 4 – Statement on Expected Rate Revenue (As Declared and Raised)

Statement on Expected Rate Revenue

Please note: These figures represent a considered estimate of Expected Rate Revenue based on the rates and service charges formally declared by Council following adoption of the Annual Business Plan and Budget (ABP&B).

Expected Rates Revenue				
	2025/2026 (as declared)	2026/2027 (as declared)	Change	Comments
General Rates Revenue				
General Rates (existing properties)	\$2,413,717	\$2,534,756 (a)		
Less: Mandatory Rebates	(\$41,584)	(\$45,184) (d)		
Less: Discretionary Rebates	(\$66,330)	(\$68,195)		
General Rates (NET)	\$2,305,804	\$2,421,377 (e)	5.1%	
Other Rates (inc. service charges)				
Regional Landscape Levy	\$99,216	\$102,683 (f)		The Regional Landscape Levy is a State tax, it is not retained by council.
Waste collection	\$352,575	\$373,780 (g)		
CWMS	\$268,145	\$281,395 (i)		
	\$3,025,740	\$3,179,234		
Expected Total Rates Revenue	\$2,926,524	\$3,076,552 (m)	5.1%	Excluding the Regional Landscape Levy, fines & interest, EP discounts and minus Mandatory & Discretionary Rebates.
	(m)=(e)+(g)+(h)+(i)+(j)+(k)+(l)			

Estimated growth in number of rateable properties

Number of rateable properties	1,661 <i>Actual</i>	1,668 <i>Estimate</i>	(n)	0.42%	
'Growth' is defined in the regulations as where new properties have been created which has added rateable properties to council's ratepayer base. Growth can also increase the need and expenditure related to infrastructure, services and programs which support these properties and residents.					

Estimated average General Rates per rateable property

Average per rateable property	\$1,453	\$1,520	(o)	4.6%	
(o)=(c)/(n)					
Councils use property valuations to calculate each rateable property's contribution to the required rate revenue total. Councils do not automatically receive more money because property values increase but this may alter how rates are apportioned (or divided) across each ratepayer (ie. some people may pay more or less rates, this is dependent on the change in value of their property relative to the overall valuation changes across the council area).					
The total General Rates paid by all rateable properties will equal the amount adopted in the budget.					

Notes

(d) Councils are required under the Local Government Act to provide a rebate to qualifying properties under a number of categories:		
Health Services - 100 per cent	Religious purposes - 100 per cent	Royal Zoological Society of SA - 100 per cent
Community Services - 75 per cent	Public Cemeteries - 100 per cent	Educational purposes - 75 per cent
The rates which are foregone via Mandatory Rebates are redistributed across the ratepayer base (ie. all other ratepayers are subsidising the rates contribution for those properties who receive the rebate).		
(e) Presented as required by the <i>Local Government (Financial Management) Regulations 2011</i> reg 6(1)(ea)		
Please Note: The percentage figure in (e) relates to the change in the total amount of General Rates revenue to be collected from <u>all</u> rateable properties, not from <u>individual</u> rateable properties (ie. individual rates will not necessarily change by this figure).		
(f) Councils are required under the <i>Landscape South Australia Act 2019</i> to collect the levy on all rateable properties on behalf of the State Government. The levy helps to fund the operations of regional landscape boards who have responsibility for the management of the State's natural resources.		
(i) Community Wastewater Management Systems		
(l) A council may grant a rebate of rates or service charges in a number of circumstances. The rates which are foregone via Discretionary Rebates are redistributed across the ratepayer base (ie. all other ratepayers are subsidising the rates contribution for those properties who receive the rebate).		
(m) Expected Total Rates Revenue excludes other charges such as penalties for late payment and legal and other costs recovered.		
(n) 'Growth' as defined in the <i>Local Government (Financial Management) Regulations 2011</i> reg 6(2)		

Statement on Expected Rate Revenue

Please note: These figures represent a considered estimate of Expected Rate Revenue based on the rates and service charges formally declared by Council following adoption of the Annual Business Plan and Budget (ABP&B).

Expected Rates Revenue

	Total expected revenue			No. of rateable properties		Average per rateable property			Cents in the \$	
	2025/2026	2026/2027	Change	2025/2026	2026/2027	2025/2026	2026/2027	Change	2025/2026	2026/2027
Land Use (General Rates - GROSS)										
Residential	\$1,086,423	\$1,146,418	5.52%	760	761	\$1,430	\$1,506	(p) \$77	0.5540	0.5290
Commercial - Shop	\$37,851	\$39,753	5.02%	20	20	\$1,893	\$1,988	(p) \$95	0.7570	0.7300
Commercial - Office	\$1,270	\$1,312	3.27%	1	1	\$1,270	\$1,312	(p) \$42	0.8760	0.8630
Commercial - Other	\$156,759	\$164,689	5.06%	49	49	\$3,199	\$3,361	(p) \$162	0.8760	0.8630
Industry - Light	\$4,850	\$5,024	3.60%	4	4	\$1,212	\$1,256	(p) \$44	0.8720	0.8170
Industry - Other	\$10,372	\$10,964	5.70%	6	6	\$1,729	\$1,827	(p) \$99	0.8720	0.8170
Primary Production	\$900,675	\$937,478	4.09%	536	538	\$1,680	\$1,743	(p) \$62	0.3520	0.3820
Vacant Land	\$168,629	\$179,891	6.68%	256	260	\$659	\$692	(p) \$33	0.5540	0.5290
Other	\$46,888	\$49,227	4.99%	29	29	\$1,617	\$1,697	(p) \$81	0.9750	0.9730
GRAND TOTAL (GROSS)	\$2,413,717	\$2,534,756	5.01%	1,661	1,668	\$1,453	\$1,520	(p) \$66		

Minimum Rate

	No. of properties to which rate will apply		Rate			
	2026/2027	% of total rateable properties	2025/2026	2026/2027	Change	
Minimum Rate	389	23.3%	\$973	\$1,021	(r) \$48	

Notes

(p) Average per rateable property calculated as General Rates for category, including any fixed charge or minimum rate (if applicable) but excluding any separate rates, *divided* by number of rateable properties within that category in the relevant financial year.

(q) A fixed charge can be levied against the whole of an allotment (including land under a separate lease or licence) and only one fixed charge can be levied against two or more pieces of adjoining land (whether intercepted by a road or not) if they are owned by the same owner and occupied by the same occupier. Also if two or more pieces of rateable land within the area of the council constitute a single farm enterprise, only one fixed charge may be imposed against the whole of the land.

(r) Where two or more adjoining properties have the same owner and are occupied by the same occupier, only one minimum rate is payable by the ratepayer.

	THE FLINDERS RANGES COUNCIL 2026-2027 ANNUAL BUSINESS PLAN	Version Number Issued Last Review Next Review GDS Page	05.01/2027 06 August 2026 06 August 2026 01 May 2027 7.11.1 17 of 19
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Appendix 5 – Essential Services Commission, Local Government Advice (February 2025)



Advice

Local Government Advice

The Flinders Ranges Council

February 2025

Enquiries concerning this advice should be addressed to:

Essential Services Commission
GPO Box 2605
ADELAIDE SA 5001

Telephone: (08) 8463 4444
Freecall: 1800 633 592 (SA and mobiles only)
E-mail: advice@escosa.sa.gov.au
Web: www.escosa.sa.gov.au

The Flinders Ranges Council

AT A GLANCE

OVERVIEW

The Essential Services Commission finds the Flinders Ranges Council's current and projected financial performance unsustainable, taking into account the Council has experienced a decrease in grants and is forecasting nine consecutive operating deficits. Through mitigating affordability risk, the Council is increasing sustainability risk, the likelihood of asset deterioration and the need for service rationalisation.

FINANCIAL PERFORMANCE



Past 10 years
Mostly Sustainable



Current
Unsustainable



Projected
Unsustainable

RISKS IMPACTING SUSTAINABILITY

- ⚠ There is a risk the Council may not understand the value and condition of its asset stock as asset revaluations and asset management plans are not up to date.
- ⚠ Through effectively mitigating affordability risk, the Council has increased sustainability risk and likelihood of asset deterioration and need for service rationalisation.
- ⚠ If the Council has underestimated its costs, its forecast operating deficits could be greater.

KEY FACTS

- ▶ Population in 2023 was 1,673⁽¹⁾
- ▶ Council covers 4,070 square kilometres⁽¹⁾
- ▶ 1,696 rateable properties in 2022-23⁽²⁾
- ▶ \$6.6 million of income in 2022-23⁽²⁾
- ▶ Value of assets held in 2022-23 equals \$61.1 million⁽²⁾

Source: (1) Australian Bureau of Statistics, *Data by region*, available at <https://dbr.abs.gov.au/> (2) The Council's Financial Reporting Template provided to the Commission.

Table of contents

The Flinders Ranges Council AT A GLANCE	i
1 Executive summary.....	1
1.1 Summary of observations.....	1
1.2 Summary of Recommendations	2
2 About the advice.....	3
2.1 Background.....	3
2.2 The Commission's approach.....	3
3 Council profile	6
4 Material plan amendments in 2024-25.....	7
4.1 Key Points	7
4.2 Changes to operating performance	7
4.3 General observations on strategic management plans.....	8
4.4 Increase to capital expenditure estimates.....	9
5 Financial sustainability.....	10
5.1 Operating performance.....	10
5.1.1 Key points.....	10
5.1.2 Operating Surplus Ratio	10
5.1.3 Income	11
5.1.4 Expenditure	12
5.1.5 Commission's recommendations on operating performance.....	14
5.2 Net financial liabilities	15
5.2.1 Key points.....	15
5.2.2 The Commission's recommendations on financial liabilities	17
5.3 Asset renewals expenditure.....	17
5.3.1 Key points.....	17
5.3.2 The Commission's recommendations re asset renewals expenditure.....	22
6 Advice on current and projected rate levels.....	23
6.1 Key points.....	23
6.2 Proposed rate increases for 2024-25	24
6.3 Projected further rate increases	25
6.4 Affordability risk.....	25
6.4.1 The Commission's advice re affordability risk	25
7 The Commission's next advice and focus areas	26
8 Appendix: Glossary of terms	27

1 Executive summary

1.1 Summary of observations

The Essential Services Commission (**Commission**) finds the Flinders Ranges Council's (**Council**) current and projected financial performance unsustainable. The Council recorded five operating deficits between 2013-14 and 2022-23. A 2010 independent assessment noted the need for it to improve its operating position.¹ Despite this, the Council is forecasting nine operating deficits over the next 10 years to 2033-34. Further, this forecast is based upon an optimistic outlook for expenses growth and asset management plans that are outdated. Overall, the Commission considers that the Council and its community need to consider what the community is willing to pay and the services and asset stock this can accommodate, to achieve a more robust sustainable position.

The Council has been, and remains, highly dependent on grant income to support the services it provides. In 2022-23, grant income represented almost half of the Council's income, however, between 2022-23 and 2024-25 the Council expects its grant income to decline by almost a quarter and not recover thereafter. The reasons for the steep decline in grant income are unclear as the Council had not adopted its 2023-24 annual report at the time this advice was prepared nor had the Council made the reasons clear in its 2024-25 long-term financial plan.

However, the Commission acknowledges the challenges faced by a small rural council with a ratepayer base of approximately 1,696 rateable properties (in 2022-23) that has limited capacity or scale in the region to raise further income. As a result, the Council's capacity to absorb and respond to adjustments in its grant revenue is limited and that grant funding can fluctuate from year to year, making forecasting challenging.

The Council's approach to managing the forecast decline in grant revenue is to gradually increase income from other sources, primarily rates, while maintaining stringent cost controls, with the result being a forecast cumulative deficit of \$2.1 million over the 10-year period of the long-term financial plan. This assumes that between 2024-25 and 2033-34 annual average income and expenses growth are forecast to be 2.4 and 1.1 percent respectively.

The Commission considers this both financially unsustainable and likely the best-case scenario. It is unclear from the Council's draft long-term financial plan precisely how it will manage to constrain expenses growth to approximately half that of forecast inflation. No reductions in staff or service rationalisation plans have been articulated to support this objective. Further, the Council's ambitions are based upon outdated asset management plans and asset valuations. The Council has not updated its individual asset management plans since 2018, nor its asset valuations since 2017. As such, its forecast asset renewal/replace expenditure is based upon incomplete information regarding current asset condition and potentially the costs associated with renewal/replacement works. Overall, the Commission considers there to be a risk that the Council's cost projections are underestimated, the implication being its financial outlook is potentially worse than suggested in the Council's draft long-term financial plan.

The Commission considers that unless the Council has a credible way to fill the \$0.7 million income reduction caused by the steep decline in grant income, there is merit in it considering, with its community, the following; their willingness to pay for the existing service portfolio provided by the Council, the extent to which user charging options that provide full cost recovery can be implemented for various services, and what services the Council might no longer be able to provide, if the community does not choose to cover the income gap, in whole or in part. The Commission notes this consultation is only meaningful in the context of current knowledge of asset condition, remaining asset lives and, subsequently, accurate renewal/replacement costs. This requires the Council's asset management

¹ 2023-24 The Flinders Ranges Council Annual Business Plan & Budget and Long-Term Financial Plan, p. 2.

plans to reflect these requirements. Overall, the Commission advises the Council to urgently rectify this and proceed with a full and transparent consultation process with its community about future sustainable service delivery and funding options.

1.2 Summary of Recommendations

1. **Consider** including scenario analysis in its long-term financial plan to provide its ratepayers with a better understanding of the variables, such as grants, that impact its operating performance and financial sustainability and to plan alternative approaches to significant asset renewals and replacements.
2. **Improve** the transparency around assumptions, including grant funding, and state explicitly the basis for preparation of annual business plans, budgets and the long-term financial plan.
3. **Undertake** annual indexation of asset values between formal valuations, to maintain a more accurate understanding of current asset values and likely renewal and replacement costs.
4. **Improve** the reporting of cost savings targets or productivity improvements in its long-term financial plans and annual business plans (as appropriate), to provide evidence of constraining cost growth and achieving efficiency across its operations and service delivery.
5. **Consider** consulting with its community on what it is willing to pay and the service and asset stock this can accommodate that will achieve a more robust sustainable position.
6. **Continue** its good practice of reviewing the rateable property growth forecasts in its budget projections each year to ensure that they remain current, and do not create a need for additional rate increases to generate the same level of projected revenue.
7. **Continue** to review its cash reserves within the context of its forecast expenditure.
8. **Review** its asset management plans to more accurately reflect detailed engineering studies of asset valuations, condition assessments, remaining useful lives and corresponding depreciation schedules, incorporate this information into the asset management plans and include these expenditure forecasts in the annual budget and annual long-term financial plan update.
9. **Consider** providing a more in-depth discussion in its long-term financial plan of the Council's approach to rates and how these relate to asset/service rationalisation.

2 About the advice

2.1 Background

The State Parliament has tasked the Commission, South Australia's independent economic regulator and advisory body, to provide advice on material changes proposed by local councils in relation to elements of their Strategic Management Plans (**SMP**), and on the proposed revenue sources, including rates, which underpin those plans.²

A primary purpose of the Local Government Advice Scheme (**Advice or the Scheme**) is to support councils to make financially sustainable strategic decisions in their Annual Business Plans (**ABP**) and budgets, in the context of their Long-Term Financial Plans (**LTFP**) and Infrastructure and Asset Management Plans (**IAMP**)³. IAMPs are commonly referred to as Asset Management Plans (**AMP**). The LTFP and the IAMP are both required as part of a council's SMP.⁴ Financial sustainability encompasses intergenerational equity,⁵ program (service level) and rates stability in this context.⁶ The other main purpose is for the Commission to consider ratepayer contributions in the context of all revenue sources, as outlined in the LTFP.⁷ In addition, the Commission has discretion to provide advice on any other aspect of a council's LTFP or IAMP it considers appropriate, having regard to the circumstances of that council.⁸

The first cycle of the scheme extends over four years from 2022-23 to 2025-26, and the Commission has selected 17 councils for advice in the third year (2024-25) of the Scheme, including the Flinders Ranges Council.

This report provides the Local Government Advice for the Council in 2024-25.

The Council is obliged under the *Local Government Act 1999* (**LG Act**) to publish this advice and its response, if applicable, in its 2025-26 ABP (including any draft ABP) and in subsequent plans until the next cycle of the Scheme.⁹ The Council is not compelled under the LG Act to follow the advice.

The Commission thanks the Council for meeting with Commission staff and for providing information to assist the Commission in preparing this advice.

2.2 The Commission's approach

In providing its Advice for the Council, the Commission has followed the approach it previously explained in the Framework and Approach – Final Report (**F&A**).¹⁰

The Commission has considered the Council's SMP documents (set out in the box below), with a particular focus on its performance and outlook against three financial indicators: the Operating

² Amendments to the LG Act (s122(1c) to (1k) and (9)) specify the responsibilities for the Commission and local councils for the Local Government Scheme Advice. The Commission must provide advice to each council in accordance with the matters outlined in s122(1e), (1f) and (1g).

³ Commonly referred to as asset management plans.

⁴ The objectives of the advice with reference to a council's LTFP and IAMPs are presented under LG Act, s122(1g). LG Act s122(1) specifies the requirements of a council's SMP, including the LTFP and IAMPs.

⁵ 'Intergenerational equity' relates to fairly sharing services and the revenue generated to fund the services between current and future ratepayers.

⁶ Commission, *Framework and Approach – Final Report*, August 2022, pp. 2-3, available at www.escosa.sa.gov.au/advice/advice-to-local-government.

⁷ LG Act s122(1f)(a) and (1g)(a)(ii).

⁸ LG Act s122(1f)(b) and (1g)(b).

⁹ LG Act s122(1h).

¹⁰ Commission, *Framework and Approach – Final Report*, August 2022, available at www.escosa.sa.gov.au/advice/advice-to-local-government.

Surplus Ratio (**OSR**), the Net Financial Liabilities Ratio (**NFLR**) and the Asset Renewal Funding Ratio (**ARFR**).¹¹ Analysis of these three indicators captures financial and service sustainability, cost control and affordability risk.¹²

The Flinders Ranges Council – Strategic Management Plan Documents

- ▶ 2024-25 The Flinders Ranges Council's Draft Budget and Long-Term Financial Plan
- ▶ 2024-25 The Flinders Ranges Council's Draft Annual Business Plan
- ▶ 2022-23 The Flinders Ranges Council's Annual Report (November 2023)
- ▶ 2023-24 The Flinders Ranges Council's Budget and Long-Term Financial Plan (June 2023)
- ▶ 2023-24 The Flinders Ranges Council's Annual Business Plan (June 2023)
- ▶ The Flinders Ranges Council's Buildings, Structures and Reserve Infrastructure and Asset Management Plan (July 2018)
- ▶ The Flinders Ranges Council's Community Wastewater Management Systems Infrastructure and Asset Management Plan (July 2018)
- ▶ The Flinders Ranges Council's Furniture and Fittings Infrastructure and Asset Management Plan (July 2018)
- ▶ The Flinders Ranges Council's Transport Infrastructure and Asset Management Plan (July 2018)
- ▶ The Flinders Ranges Council's Plant & Equipment Infrastructure and Asset Management Plan (July 2018)
- ▶ The Flinders Ranges Council's Adverse events and emergency management plan (May 2021)

The Commission notes that most of the Council's infrastructure asset base is covered by its existing AMPs (with condition assessments and asset valuations for those assets). The Council has also advised that it is in the process of updating its AMPs. Additionally, the Council advised that it shortly would begin revaluing its assets and this uplift is also not reflected in its current LTFP.

Given that the Commission must, in providing its advice, have regard to the objective of councils maintaining and implementing their IAMPs and LTFPs,¹³ it has also considered the Council's performance in that context. Findings regarding the content of the Council's AMPs, and the alignment between its LTFP and AMPs,¹⁴ are discussed in section 5.

The Commission has also reviewed the Council's template data which include its 2024-25 LTFP forecasts for 2024-25 to 2033-34, as well as its 2024-25 Draft LTFP forecasts, historical financial data, the number of rateable properties and Council staff (Full Time Equivalent or **FTE**) numbers from

¹¹ The three financial indicators are specified in the Local Government (Financial Management) Regulations 2011. Since 2011, each council has been required to refer to these three indicators in its plans, annual budget, mid-year budget review and annual financial statements. The councils can adopt their own target range for each ratio, but the Commission has adopted the previously suggested Local Government Association (**LGA**) target ranges as a basis for its analysis, which were established and agreed during the development of the LGA Financial Sustainability Papers (2006-2011).

¹² The F&A listed 29 analytical questions that the Commission has answered in assessing the Council's performance against these indicators to determine affordability, cost control and other sustainability risks.

¹³ *Local Government Act 1999* (**LG Act**) s122(1g)(a)(i).

¹⁴ As required under s122(1b) of the LG Act.

2013-14 onwards.¹⁵ ¹⁶ The charts and tables in the Advice are primarily sourced from these datasets. In addition, the Commission has reviewed the Council's audit committee reports, and other public information, as appropriate.

The Commission has reported estimates in nominal terms, for consistency with the Council's plans and actual rate levels, but it has compared estimated inflation impacts to these trends as a guide to identifying 'real' rather than 'inflationary' effects. In the charts, the Consumer Price Index (CPI) line shows the cumulative growth in the CPI (Adelaide) series from 2013-14, and then projections of this series from 2024-25 based on the Reserve Bank of Australia (RBA) (Australia-wide) inflation forecasts to the December quarter 2026, and the midpoint of the RBA target range (2.5 percent) thereafter.

Finally, in formulating this Advice, the Commission has had regard to all discussions and engagement with the Council, including the face-to-face on-site meeting at the Council offices and the individual circumstances of the Council, consisting of:

- ▶ its location as a small rural agricultural Council
- ▶ its income level (\$6.6 million), and
- ▶ the size of its rates base (around 1,696 ratepayers¹⁷).

Throughout this Advice, the Commission has identified several key points and assigned the following risk category to those points:

Legend:  Low-risk  Moderate-risk  High-risk

¹⁵ The Council's estimates for the 2023-24 financial year, relied on at the time of preparing this advice, were unaudited.

¹⁶ Sourced from the Local Government Grants Commission (including data reported by the Office of the Valuer-General) and the Council's data.

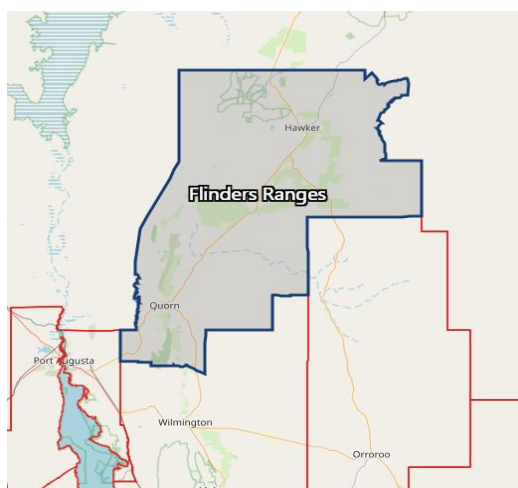
¹⁷ Based on the reported number of rateable properties in 2022-23.

3 Council profile

The Flinders Ranges Council is classified by the Commission as a Rural Agricultural Small and Medium council and is one of 19 in this category in South Australia.¹⁸ The Council's area covers 4,070 square kilometres and is located in South Australia's Northern Flinders Ranges region, approximately 350 kilometres north of Adelaide by road. It has an estimated resident population of 1,673 (at 30 June 2023),¹⁹ and 1,696 rateable properties (at 2022-23).²⁰

The Council was proclaimed on 1 January 1997, joining together the former District Council of Hawker and the former District Council of Kanyaka-Quorn.²¹

Figure 1: Council area



The Council region also has the following attributes:

- ▶ population density of 0.4 persons per square kilometre²²
- ▶ 50 kilometres of sealed roads and laneways, and 1,212 kilometres of unsealed roads²³
- ▶ its largest employment sectors are agriculture, forestry and fishing (13.1 percent), health care and social assistance (12.4 percent), accommodation and food service (11.8 percent), and construction (9.6 percent),²⁴ and
- ▶ a median population age of 53 years.²⁵

¹⁸ According to the Australian Classification of Local Governments (ACLG), determined by the Australian Bureau of Statistics (ABS), which classifies all Australian Councils based upon population and population density within 22 different categories.

¹⁹ Refer to Australian Bureau of Statistics, *Data by region*, available at <https://dbr.abs.gov.au/region.html?lga&rgn=41060>.

²⁰ Footnote 2 applies.

²¹ The Flinders Ranges Council, Rating Discussion Paper 2024-25, p. 3, available at: https://www.frc.sa.gov.au/_data/assets/pdf_file/0032/1645592/FRC-Rating-Discussion-Paper-2024-2025-v01.01.pdf.

²² Footnote 19 applies.

²³ Footnote 20 applies.

²⁴ Footnote 19 applies.

²⁵ Footnote 19 applies.

4 Material plan amendments in 2024-25

The Flinders Ranges Council has made various amendments to its 2024-25 budget and forward projections, partly for inflation and partly for other revenue and spending initiatives. The material amendments to some of its main financial forecasts are listed in the table below (in nominal terms).²⁶ To ensure a comparable analysis of estimates between the 2023-24 and 2024-25 LTFPs, the Commission has reviewed the nine overlapping years' statistics: 2024-25 to 2032-33 and identified material amendments accordingly.

4.1 Key Points

-  The Council's current LTFP may not accurately reflect current and projected asset valuations and asset condition assessments.
-  The Council's LTFP's and ABP's would benefit from greater transparency around assumptions.

Table 1: Summary of Plan Amendments

Selected Financial Item	Sum of 2024-25 to 2032-33 estimates in 2023-24 LTFP (\$ million)	Sum of 2024-25 to 2032-33 estimates in 2024-25 LTFP* (\$ million)	Change in 2024-25 estimates (\$ million)	Change in 2024-25 estimates (percent)
Total operating income	62.9	61.9	-1.0	-1.6
Total operating expenses**	61.9	63.9	+2.0	+3.4
Operating surplus / (deficit)	1.0	-2.1	-3.1	-302.0
Capital expenditure on renewal of assets ²⁷	12.0	10.1	-1.9	-16.0
Capital expenditure on new and upgraded assets ²⁸	2.7	6.1	+3.3	+122.0

* In its analysis, the Commission has used the draft 2024-2044 LTFP considered by Council at its 11 June 2024 meeting.

** These items may not indicate a material amendment.

4.2 Changes to operating performance

In aggregate, the projections in the Council's current and previous LTFPs (that is, over the nine-year comparative period to 2032-33, as shown in the table above) indicate that its cumulative operating performance is expected to decline by \$3.1 million.

²⁶ This table shows only selected financial items to demonstrate the material amendments made by the Council in its 2023-24 estimates. It excludes various financial items and individual items do not sum to totals.

²⁷ The capital expenditure estimates are based on the 2024-25 LTFP estimates provided by the Council to the Commission (in an Excel template).

²⁸ Footnote 27 applies.

The decrease in its revenue estimates by 1.6 percent over the 2024-25 to 2032-33 forecast period²⁹, compared with the same estimates in its 2023-24 LTFP, is largely due to the Council's forecast decrease in Grants by \$1.7 million or 6.6 percent. The five-year average for Grants between 2018-19 to 2022-23 was \$3 million compared to the Council's forecast for Grants over the nine-year period (to 2032-33) of \$2.7 million. In 2022-23 grant income represented almost half of the Council's income, however, between 2022-23 and 2024-25 the Council expects its grant income to decline by almost a quarter and not recover thereafter. The reasons for the steep decline in grant income are unclear as the Council had not adopted its 2023-24 annual report at the time this advice was prepared nor had the Council made the reasons clear in its 2024-25 LTFP. The Council's income from grants is discussed further in section 5.1.

Given the Council's challenge to remain financially sustainable, the Council should consider providing a more in-depth discussion in its long-term financial plan of its approach to revenue generation and its potential impact to rates and service charges, and how these relate to asset/service rationalisation. Accordingly, the Commission recommends that Council:

1. **Consider** including scenario analysis in its long-term financial plan to provide its ratepayers with a better understanding of the variables, such as grants, that impact its operating performance and financial sustainability and to plan alternative approaches to significant asset renewals and replacements.

The Council's operating expense estimates increased by \$2.1 million over 10 years, or 3.4 percent, in its 2024-25 Draft LTFP estimates (compared with its 2023-24 LTFP estimates). More than half of the Council's higher operating expenses are due to higher employee costs, with an increase of \$1.4 million or 6.9 percent on the 2024-25 Draft LTFP estimates (from 2024-25 to 2032-33). Depreciation costs increased by \$0.8 million or 5.9 percent and might not accurately reflect asset values, as the valuations have not been updated since 2017 and may also be part due to the Council not indexing asset valuations and depreciation charges in its financial statements. The Council's historical and projected operating performance is discussed further in section 5.1.

4.3 General observations on strategic management plans

Council states that it prepares its LTFP using various assumptions about projected income, projected fees, charges and grants and includes assumptions about its future operational capital expenditure.³⁰ However, the Council has not published these assumptions in its Draft 2024-25 LTFP nor were the assumptions published in previous years' LTFPs.

It is noted the Council regularly revisits its LTFP projections using an internal model^{31 32}, however it is not clear how its assumptions are calculated and how they could have changed over its forecast period. The implication of this is that ratepayers and other stakeholders are not fully informed on these matters.

Further, the Council's AMPs were last comprehensively reviewed in 2018 and Council is preparing to undertake this review again within the next 12 months. It is also noted that the Council does not incorporate annual updates to its asset valuations and its most recent detailed valuation and asset condition assessment occurred in 2017.

²⁹ The set of nine years forecast in both the 2022-23 and 2023-24 LTFP projections.

³⁰ 2023-24 The Flinders Ranges Council Annual Business Plan & Budget and Long-Term Financial Plan, p. 2.

³¹ 2024-25 The Flinders Ranges Council Draft Annual Business Plan & Budget and Draft Long-Term Financial Plan, p. 2.

³² The Commission did not review the Council's internal model.

In general, and notwithstanding the need for the Council to endeavour to find savings and reduce any inflationary impact on its community, the Commission recommends that the Council:

2. **Improve** the transparency around assumptions, including grant funding, and state explicitly the basis for preparation of annual business plans, budgets and the long-term financial plan.
3. **Undertake** annual indexation of asset values between formal valuations, to maintain a more accurate understanding of current asset values and likely renewal and replacement costs.

4.4 Increase to capital expenditure estimates

The Council's 2024-25 Draft LTFP indicates an increase in capital expenditure for new and upgraded assets (by \$3.3 million), compared to the previous year's LTFP (for the period from 2024-25 to 2032-33). However, the Council's capital expenditure on renewal of assets decreased by \$1.9 million, compared to the previous year's LTFP (for the period from 2024-25 to 2032-33).

Based on the information available to the Commission, it is not clear why the Council has increased its spending on new and upgraded assets. Noting the Council's weak sustainability and outdated AMP's the Commission considers that there is merit in the Council and its community considering the options available in terms of what the community is willing to pay and the services and asset stock this can accommodate. The Council's capital expenditure outlook is discussed further in section 5.3.

5 Financial sustainability

5.1 Operating performance

5.1.1 Key points

-  The Council does not appear sustainable. A cumulative loss is forecast over the 10 years to 2033-34 of \$2.9 million, which is on top of a cumulative loss of \$0.6 million for the 10 years to 2022-23.
-  The driver behind this is a near \$0.8 million decrease in grants over the 2022-23 to 2024-25 period, which does not recover over the 10 years to 2033-34.
-  The Council's forecast is based upon an optimistic outlook for expenses growth, accompanied with insufficient plans on how it will achieve this in the Council's LTFP and ABP.
-  The Council does not appear able to absorb the decline in grants and keep its service levels and stock at the same level, even for allowing for its expense forecast.
-  The Council may need to consider engagement with its community concerning increasing its level of borrowings or rates, based upon identifying what service levels can be provided and the community's willingness to pay.

5.1.2 Operating Surplus Ratio

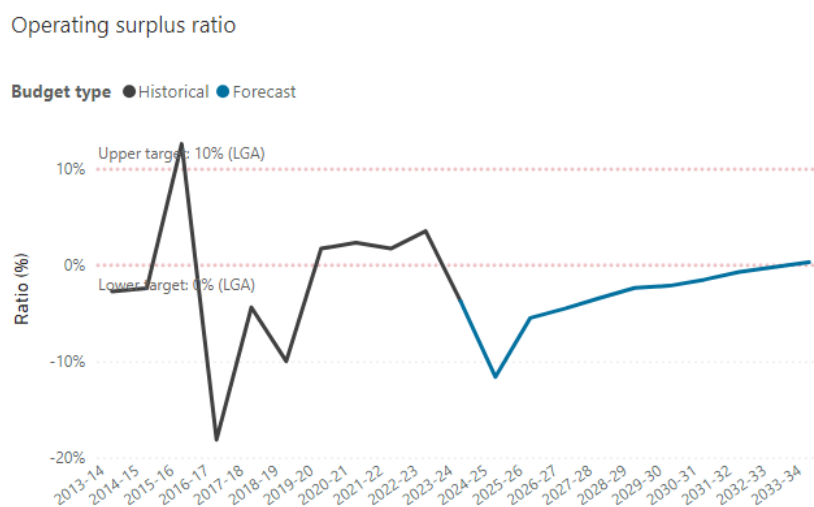
The Council recorded five operating deficits in the six years between 2013-14 to 2018-19, followed by four operating surpluses between 2019-20 to 2022-23. Over the 10 years to 2022-23, however, the Council accumulated an operating deficit of \$0.6 million, reflecting a below breakeven performance over this period.

Looking ahead, the Council is forecasting a deficit in the first nine years of its 10-year forecast to 2033-34. Overall, by 2033-34, the Council has forecast a cumulative operating loss of \$2.9, with the operating surplus ratio (for the 10 years to 2033-34) averaging negative 3.2 percent (see figure 2), which is below the suggested Local Government Association of South Australia (LGA SA) target range of between zero and 10.0 percent.

The OSR ³³ results shown in Figure 2 reflect that performance. The main driver for the Council's worsening performance over the period of the LTFP is a significant decline in grants income, which is discussed in the subsequent section.

³³ The operating surplus ratio is defined as: Operating Surplus (Deficit) ÷ Total Operating Income. The general target is to achieve, on average over time, an operating surplus ratio of between zero and 10 percent (Local Government Association of South Australia, *Financial Sustainability Information Paper 9 - Financial Indicators Revised*, May 2019, p. 6, available at [financial_sustainability_information_paper_9.pdf](#)).

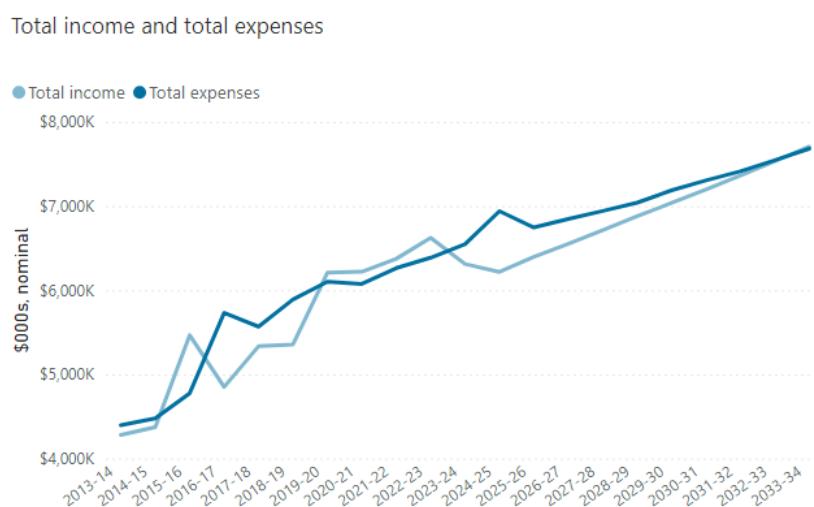
Figure 2: Operating surplus ratio – historical and forecast



5.1.3 Income

Historical operating income growth averaged 5.0 percent per annum³⁴ from 2013-14 to 2022-23, which is above the average annual inflation growth of 2.6 percent over this period (see figure 3)³⁵. As shown in Figure 3 below, there is a steep decline in the Council's income between 2022-23 and 2024-25.

Figure 3: Total income and expenses – historical and forecast



This is a result of a \$0.8 million drop in grants that, according to the Council's LTFP, is not recoverable. This dominates the outlook for the future financial sustainability of the Council. The reasons for the steep decline in grant income are unclear as the Council had not adopted its 2023-24 annual report at the time this advice was prepared, nor had the Council made the reasons clear in its 2024-25 LTFP.

³⁴ Based on the compound average annual growth rate formula (which is the adopted approach to calculating average annual growth rates throughout the Commission's advice).

³⁵ The forecast average annual growth in the CPI from 2024-25 to 2033-34 is estimated to be 2.6 percent based on the RBA forecasts for the CPI (Australia-wide) to December 2026 (and the Commission's calculations of average annual percentage growth) and the midpoint of the RBA's target range (2.5 percent) from 2026-27.

This outcome highlights the challenges faced by a small rural council with a ratepayer base of approximately 1,696 rateable properties (in 2022-23) and limited capacity or scale in the region to raise further income. As a result, the Council's capacity to absorb and respond to a reduction of \$0.8 million in grant revenue of \$0.8 million is limited.

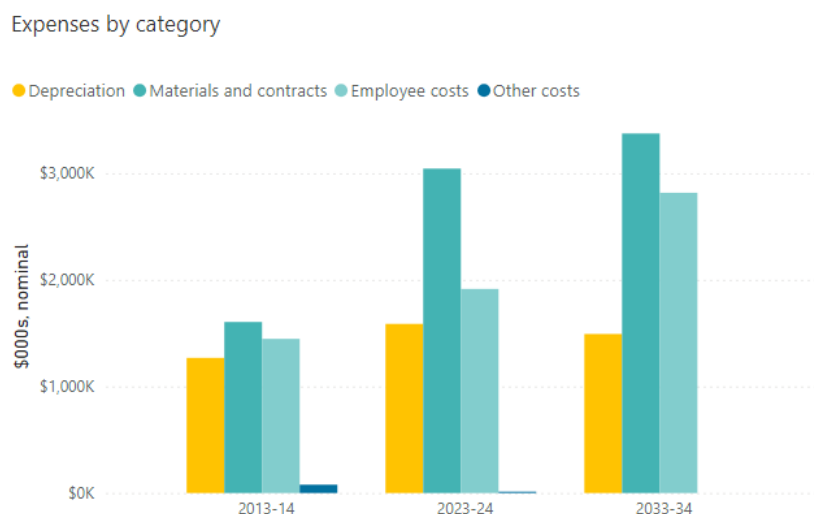
Despite this drop in the grant funding available to the Council and the financing gap it creates, it is choosing to reduce the growth in rates levels across the period of the LTFP. Rates and grants account for approximately 86.0 percent of the Council's total income over the period of the LTFP, with rates accounting for 48.0 percent of total income.

Rates revenue increased on average by 3.5 percent per annum from 2013-14 to 2022-23 (when the growth in number of rateable properties averaged negative 0.1 percent and CPI growth averaged 2.6 percent). Over the 2024-25 to 2033-34 period the Council is forecasting rates growth of 2.7 percent, slightly above the projected long-term inflation rate. The Council's projected average annual growth in the number of rateable properties is negligible, meaning rates on a per rateable property basis exhibits similar growth. Rates are discussed in more detail in section 6.

5.1.4 Expenditure

The rate of operating expense growth averaged 4.2 percent per annum from 2013-14 to 2033-34 (see figure 4). This was primarily due to an average annual increase of 7.1 percent in 'materials, contracts and other' expenses, 3.1 percent in 'employee costs'³⁶; and 2.0 percent in 'depreciation, amortisation and impairment' (see the changes in expense type in Figures 4 and 5).

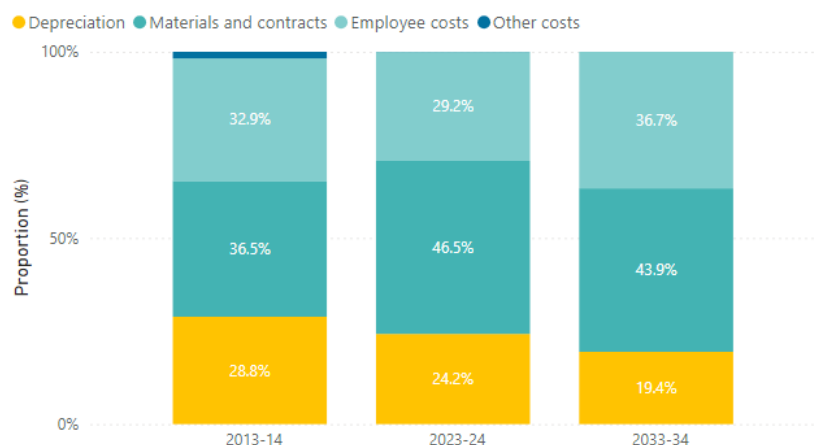
Figure 4: Expenses by category – historical and forecast



³⁶ The Council's template data shows that employee numbers decreased by four FTEs over this period. In 2023-24 the Council's unaudited data shows a material increase in FTEs to 25 (an increase of four FTEs). Long-term planning projections assumes constant at current levels of 25 FTEs.

Figure 5: Expense by category – proportions

Expenses by category (proportions)



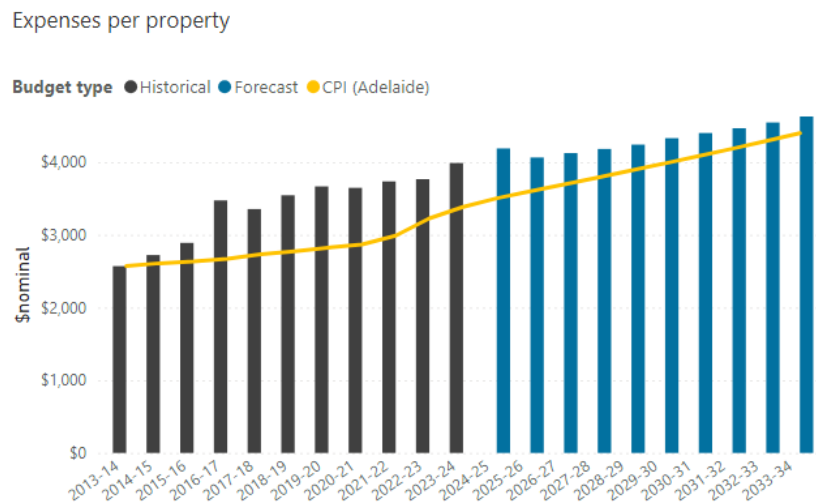
For the forecast period (from 2024-25 to 2033-34), the Council projects a 1.1 percent average expense growth, which is significantly lower than the annual average growth of 4.2 percent for the 10 years to 2022-23 and is lower than the RBA-based forecast inflation growth³⁷. It is noted that the Council forecasts lower growth in all expense categories (from 2024-25 to 2033-34) than for the 10 years to 2022-23. As the Council is forecasting negligible growth in rateable properties, growth in expenses per rateable property follows a similar pattern.

It is not clear how the Council will achieve such a low rate of growth in expenses. No plans identifying how it will become more efficient have been identified, nor do there appear to be any reductions in service or staff levels forecast (noting FTEs increased by four to 25 in 2023-24 and remain at this level to 2033-34). This suggests there is a high risk that cash expenses growth may not be so easily constrained. The Council is forecasting the non-cash expense of depreciation will decline by an average of 1.2 percent per annum. The Commission notes that in the Council's 2022-23 Annual Report, it increased the useful lives for various asset classes that likely caused the depreciation expense, both actual and forecast, to decrease. The Commission notes that in the absence of up-to-date AMPs regarding asset condition and remaining life, the basis for the Council's adjustment to asset lives is unclear and there is a risk it represents an accounting adjustment to improve the operating position in the LTFP, rather than reflecting the actual assets lives.

Overall, the Commission notes there are credible reasons to consider the somewhat moderate growth in the Council's forecast expenditure will likely be exceeded, with the operating position being more unsustainable, without a combination of service rationalisation, higher rate increases or greater levels of debt.

³⁷ Footnote 35 applies.

Figure 6: Expense by rated property - historical and forecast



Against this background, the Commission notes that the Council's financial information shows that it has incurred higher operating costs, particularly in the last three years from 2021-22 to 2023-24 (compared to 2020-21), and that it has maintained financial sustainability largely through higher rates and grants, subsidies and contributions.

5.1.5 Commission's recommendations on operating performance

The Council is forecasting nine operating deficits over the next 10 years to 2033-34. Further, this forecast is based upon an optimistic outlook for expenses growth and AMPs that are outdated. Overall, the Commission considers that the Council and its community needs to consider the options available in terms of what the community is willing to pay and the services and asset stock this can accommodate, to achieve a more robust sustainable position. In this context, the Commission acknowledges the Council is part of the Flinders Alliance group of councils with a vision to deliver better value their communities through strategic collaboration. The Commission recommends that Council:

4. **Improve** the reporting of cost savings targets or productivity improvements in its long-term financial plans and annual business plans (as appropriate), to provide evidence of constraining cost growth and achieving efficiency across its operations and service delivery.
5. **Consider** consulting with its community on what it is willing to pay and the services and asset stock this can accommodate that will achieve a more robust sustainable position.
6. **Continue** its good practice of reviewing the rateable property growth forecasts in its budget projections each year to ensure that they remain current, and do not create a need for additional rate increases to generate the same level of projected revenue.

5.2 Net financial liabilities

5.2.1 Key points



Historically the Council has operated with a cash balance and limited debt levels resulting in a net financial liabilities ratio that is negative. The Council is forecasting a similar result for the 10 years to 2033-34.

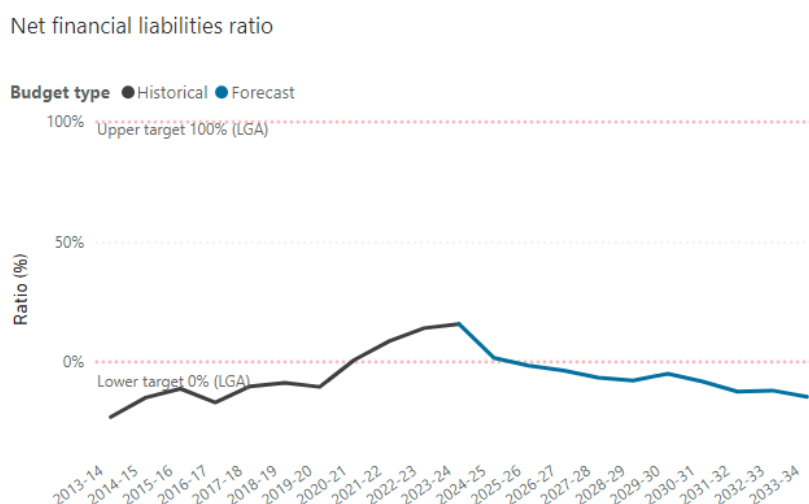


The Council's existing cash reserves have been run down, with its forecast build-up of cash reserves based on an expense forecast that is arguably not realistic.

The Council's NFLR³⁸ result was negative in seven out of the ten years from 2013-14 to 2022-23. The ratio's annual average over this period was negative 7.2 percent which is outside the suggested LGA target range for the indicator of between zero and 100.0 percent (see Figure 7).

The Council has forecast that its NFLR will remain negative in nine out of the ten years for the forecast period to 2033-34 and remain below the suggested LGA target range. The annual average forecast for the NFLR from 2024-25 to 2033-34 is negative 7.0 percent. (see Figure 7).

Figure 7: Net financial liabilities ratio – historical and forecast



The Council's NFLR are forecast to reach \$1.1 million in 2033-34 (from \$103,000 in 2024-25) (see Figure 8) and its NFLR is forecast to reduce from 1.7 percent in 2024-25 to negative 14.6 percent in 2033-34 (see Figure 7). This is below the suggested LGA target range for this indicator of between zero and 100.0 percent.

³⁸ The net financial liabilities ratio is defined as: Net financial liabilities ÷ Total operating income. This ratio measures the extent to which a Council's total operating income covers, or otherwise, its net financial liabilities. The suggested LGA target range is between zero and 100.0 percent of total operating income, but possibly higher in some circumstances (LGA SA Financial Indicators Paper, pp. 7-8).

Figure 8: Total income and net financial liabilities – historical and forecast

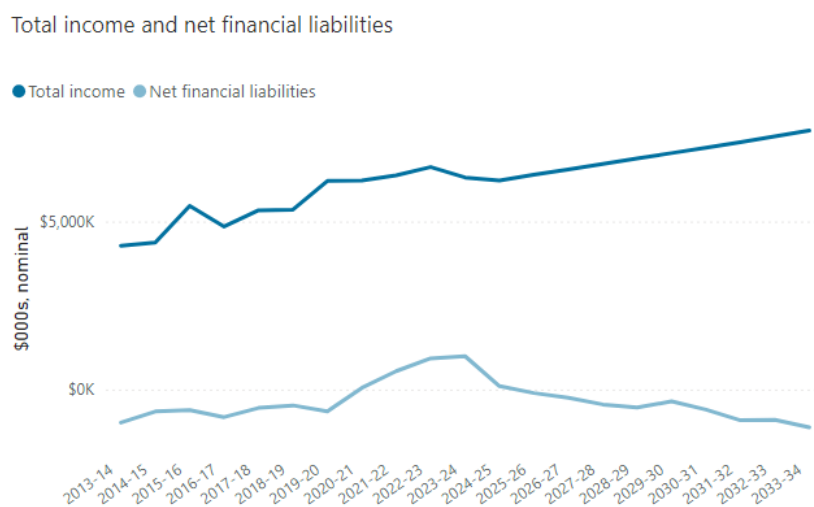
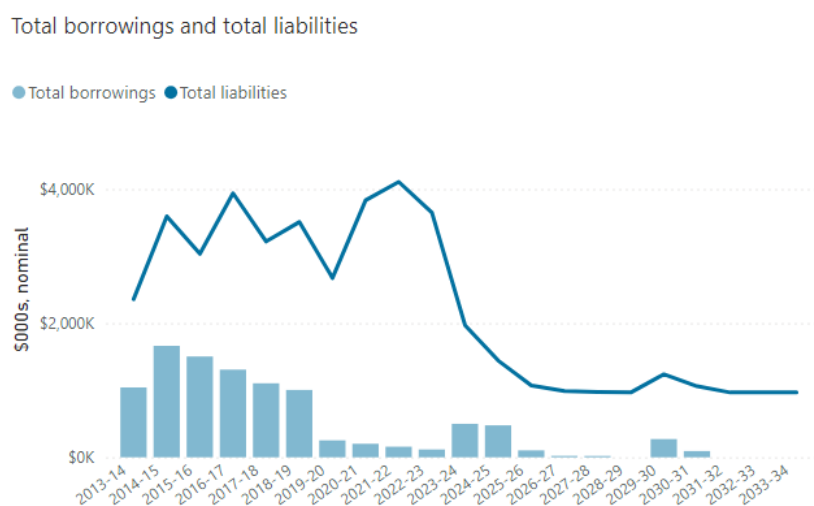


Figure 9: Total borrowings and total liabilities – historical and forecast

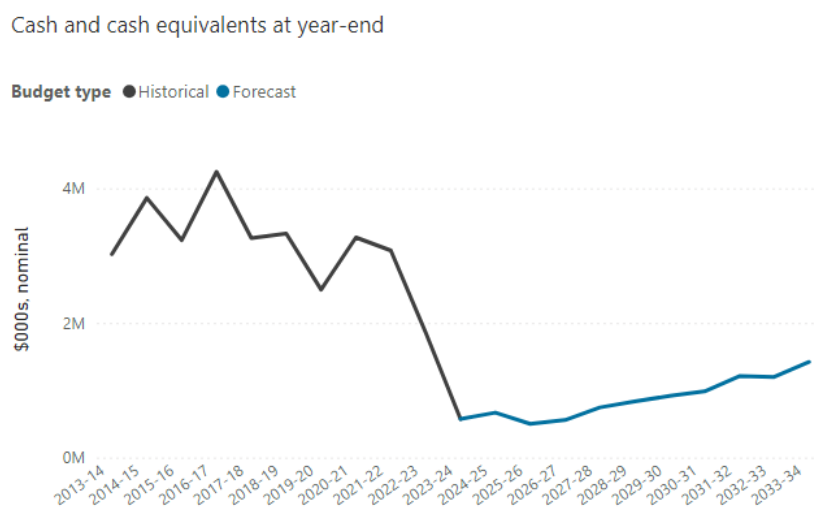


Historically the Council maintained a cash balance that was more than twice the Council's total borrowings (see Figures 9 and 10). Total borrowings decreased from \$1 million in 2013-14 to \$0.1 million in 2022-23 (see Figure 9). As a percentage of total liabilities, borrowings decreased from 44.0 percent (2013-14) to 3 percent (2022-23). The Council's borrowings in 2013-14 were predominantly related to financing of the Council's Community Wastewater Management System (CWMS) facilities that have since been repaid.

The cash and cash equivalent balance is forecast to increase from \$0.7 million in 2024-25 to \$1.4 million in 2033-34 (see figure 10).

If the Council's growth in expenses is higher than forecast, then the cash balances will be lower than forecast (in the absence of acquiring more debt). This would reduce the Council's capacity to absorb any unexpected increases in expenses or decreases in revenue.

Figure 10: Cash and cash equivalents at year end – historical and forecast



5.2.2 The Commission's recommendations on financial liabilities

When viewed in isolation, the NFLR is at a level that demonstrates the Council has the financial capacity for its operating income to cover its net financial liabilities. The ratio is mainly driven by its cash reserves and a conservative view of borrowings.

It is not clear, based on the information available to the Commission, whether the Council's forecast cash balance is derived from its forecast or whether it is a planned target. If the cash balance is not a planned target and the Council's forecast is not achieved, then its forecast cash reserves will be affected.

The Council is reliant on grant funding sources (which can fluctuate from year-to-year) and, to a lesser extent, on its ratepayer base (of approximately 1,696 rateable properties in 2022-23). Noting the limited capacity or scale in the region to raise further income the Council's projected cash position could be viewed as prudent, provided it is achievable. It could also provide flexibility to address unexpected increases in expenses or decreases in revenue or unexpected capital expenditure.

However, the Commission has concerns that if the Council has planned to achieve its forecast cash reserve of \$1.4 million in 2033-34 then it is based on an expense forecast that is arguably unrealistic. As a result, the projected expense forecasts may be exceeded, impacting its projected cash balance. For the Council to achieve and maintain financial sustainability, the Commission recommends that Council:

7. **Continue** to review its cash reserves within the context of its forecast expenditure.

5.3 Asset renewals expenditure

5.3.1 Key points



The Council's forecasts are based upon outdated AMPs and asset valuations, and it has not updated its individual AMPs since 2018, nor its asset valuations since 2017.

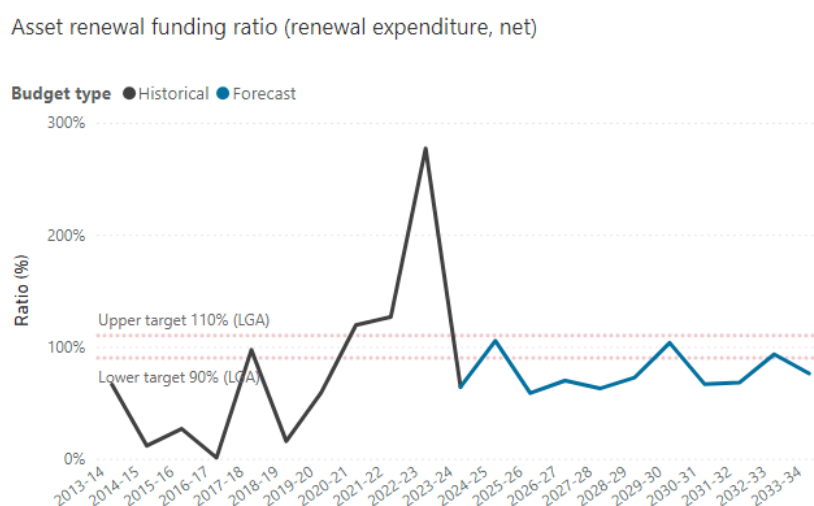


As such, its forecast asset renewal/replace expenditure is based upon incomplete information regarding current asset condition and potentially the costs associated with renewal/replacement works.

In the ten years to 2022-23, the Council achieved an average ARFR³⁹ of 80.0 percent, which is below the LGA target range of 90.0 percent to 110.0 percent⁴⁰ (see Figure 11). Overall, this could suggest that the Council has not generally met the renewal and replacement needs of its asset stock. From 2024-25 to 2033-34, the ratio is forecast to average 77.7 percent, indicating an ongoing level of expenditure that will not meet renewal requirements.

The Council has advised that the original condition of some of its assets that were overdue for renewal, in particular certain roads and footpaths⁴¹, was too low to meet contemporary community standards so the decision was made to upgrade certain assets (sealing roads and paving footpaths). That constitutes expenditure on new/upgraded assets rather than asset renewal but could be regarded as a reasonable decision, so long as it is in line with community expectations and willingness to pay.⁴² The Commission notes that this could partially explain the Council's ARFR performance, although the Council could also have adjusted its IAMP expenditure in its AMPs to reflect this reduced expenditure.

Figure 11: Asset renewal funding ratio (renewal expenditure net) – historical and projected



The Commission notes that the Council's AMPs were last updated in 2018, although it does update its capital expenditure forecast each year. Out of date AMPs will generally mean that the IAMP expenditure can either remain correct or be more or less than is actually required. The funding of the Council's asset renewals relates to providing the necessary funding to ensure the IAMP requirements are met and the level of that funding needed depends on the IAMP.

³⁹ The IAMP-based method is the current industry standard whereby asset renewal/replacement expenditure is divided by the recommended expenditure in the IAMP (or AMP). Ideally, this will show the extent to which a council's renewal or replacement expenditure matches the need for this expenditure, as recommended by the plan. The suggested LGA target range for the ratio is 90.0 to 110.0 percent (LGA SA Financial Indicators Paper, p. 9).

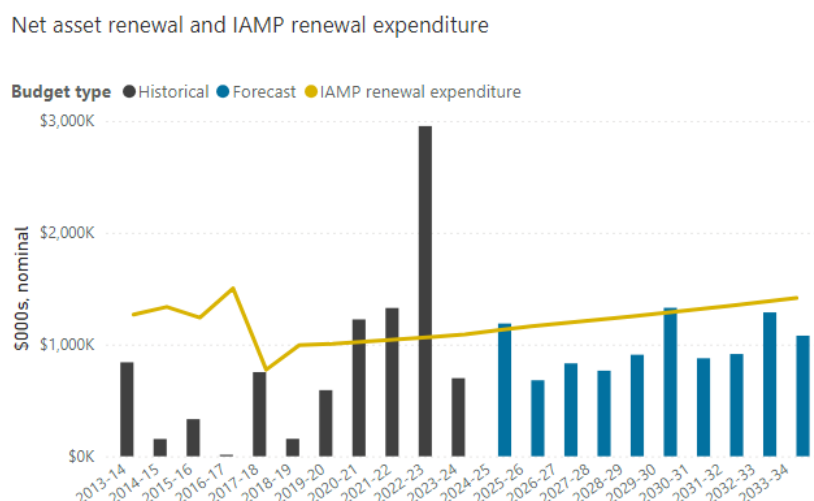
⁴⁰ The quoted averages for the ratio are based on 'net asset renewal expenditure' (after the sale of replaced assets).

⁴¹ This includes roads and footpaths and comprises almost 60.0 percent of the Council's infrastructure, property, plant and equipment.

⁴² The Flinders Ranges Council, *Email to the Commission*, 11 November 2024.

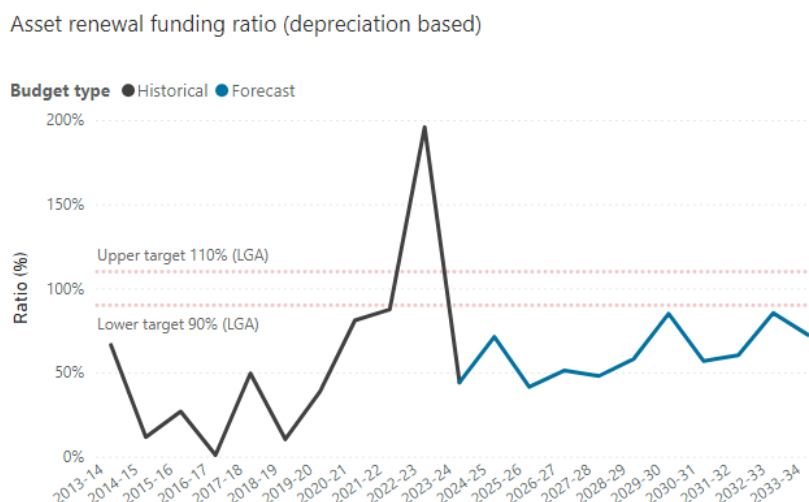
As a result, up to date AMPs that relate to asset value, asset condition and remaining asset life are important to ensuring that the Council has the right level of funding. It is unclear if the Council's forecast renewals are accurate as the AMPs are out of date, meaning that the Council has potentially unreliable forecasts that it is not meeting.

Figure 12: Net asset renewal and IAMP renewal expenditure – historical and forecast



Asset renewals can also be evaluated by the depreciation-based asset renewal funding ratio,⁴³ which is forecast to track below the recommended minimum level of 90 percent, averaging 62.9 percent per annum to 2033-34 (see Figure 13). This is marginally above the average historical depreciation-based ARFR of 56.8 percent between 2013-14 and 2022-23.

Figure 13: Asset renewal funding ratio (depreciation based) – historical and forecast

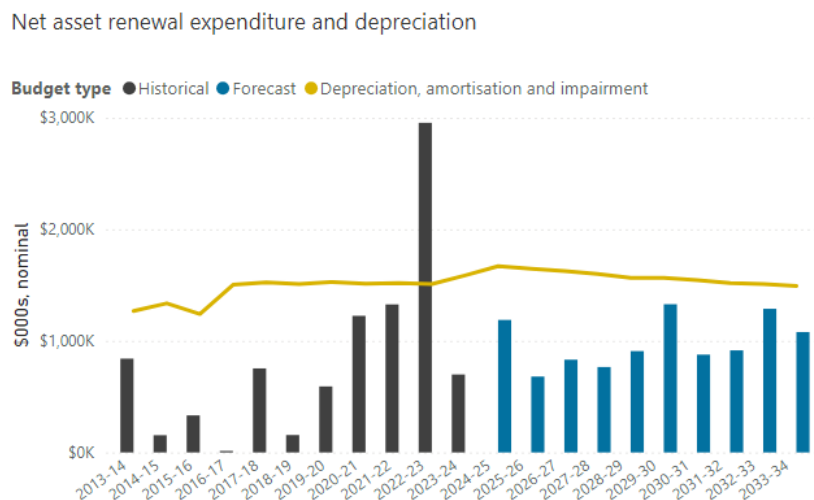


Given the Council's approach to depreciation, both in terms of not undertaking asset valuations regularly and increasing asset lives, it would be likely to be underestimated from a historical and forecast basis. As a result, it is likely that the depreciation-based ARFR is likely lower than stated and the gap between depreciation and net renewal capital expenditure higher. The longer-term risks are that

⁴³ The Council's ARFR by the depreciation-based method (where asset renewal/replacement expenditure is divided by depreciation expenses). This ratio shows the extent to which capital expenditure on the renewal and replacement of assets matches the estimated rate at which these assets are used or consumed.

assets will deteriorate more quickly, and Council will not have sufficient funds to renew them. Failing to deal with asset renewal and replacement in a timely way also creates risks of intergenerational inequity.⁴⁴

Figure 14: Net asset renewal expenditure and depreciation— historical and projected



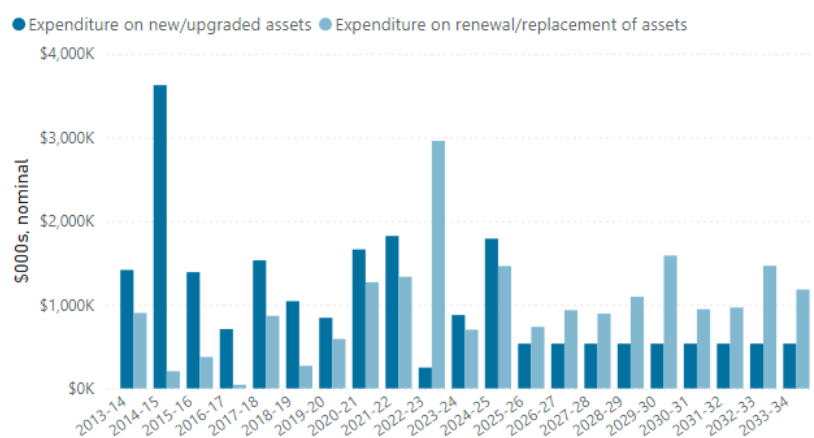
Annual spending on renewal or replacement of assets is projected to average \$1 million between 2024-25 and 2033-34, compared to average annual expenditure of \$0.8 million between 2013-14 and 2022-23 (see figure 12). Expenditure on new capital assets is projected to average \$0.7 million per annum (between 2024-25 and 2033-34) which is below the average historical expenditure between 2013-14 and 2022-23 of \$1.4 million per annum (see figure 15).

While these forecasts suggest that some of the Council's focus will be on renewal and replacement of assets rather than the acquisition of new assets, the Commission notes that the Council will still be below the recommended ARFR range of between 90.0 and 110.0 percent and that it is not achieving financial sustainability. In such circumstances, capital expenditure on new/upgraded assets should only take place if the infrastructure is essential, given the difficulties in financing the existing asset stock.

⁴⁴ Intergenerational equity relates to fairly sharing services and the revenue generated to fund the services between current and future ratepayers.

Figure 15: Total capital expenditure by category – historical and projected

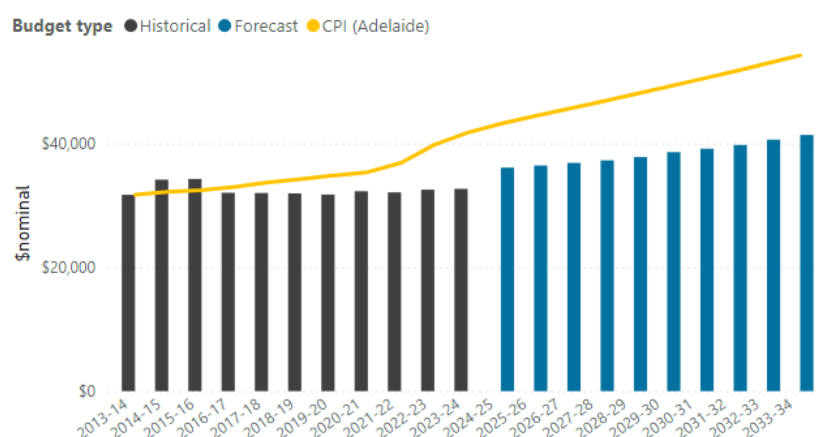
Total capital expenditure by category



The Commission notes that the Council's asset stock per rateable property was \$32,541 in 2022-23 (see Figure 16). This is highly relative to other councils and is forecast to increase at an annual rate of 1.5 percent in the 10 years to 2033-34, reaching \$41,375 per rateable property in 2033-34. Further, there is the potential for this to be underestimated because of the Council's approach to its AMPs and asset revaluation, further emphasising the need for caution when considering increasing the asset stock.

Figure 16: Value of asset stock per rateable property – historical and projected

Value of asset stock per rateable property



The Council currently has individual AMPs for infrastructure and transport, buildings, plant, furniture contents and the CWMS. These were last updated in 2018. To facilitate an improved understanding of its asset base, current asset condition and the implications for service levels, and asset renewal and maintenance, the Commission considers that the Council should, as matter of priority, update its AMP for all asset classes, via on the ground independent engineering studies, and integrate this knowledge with the asset register, strategic planning process and risk management framework.⁴⁵

⁴⁵ The Flinders Ranges Council has advised it is in the process of updating its AMPs in time for the 2025-26 LTFP and Budget.

Through this, the Council can also create revised current cost asset valuations, so mitigating the fact that the Council has not comprehensively updated its asset valuations since 2017 and asset valuations are not annually indexed.⁴⁶ This will provide the Council's strategic planning processes with a more accurate picture of the required depreciation charges, renewal costs, Asset Renewal Ratio and OSR.

5.3.2 The Commission's recommendations re asset renewals expenditure

Against this background, the Commission considers there is need for the Council to comprehensively update AMPs, asset valuations, depreciation charges and forecast costs of asset renewal and replacement. The Commission recommends that Council:

8. **Review** its asset management plans to more accurately reflect detailed engineering studies of asset valuations, condition assessments, remaining useful lives and corresponding depreciation schedules, incorporate this information into the asset management plans and include these expenditure forecasts in the annual budget and annual long-term financial plan update.

⁴⁶ The Flinders Ranges Council, meeting with the Commission, 21 November 2024.

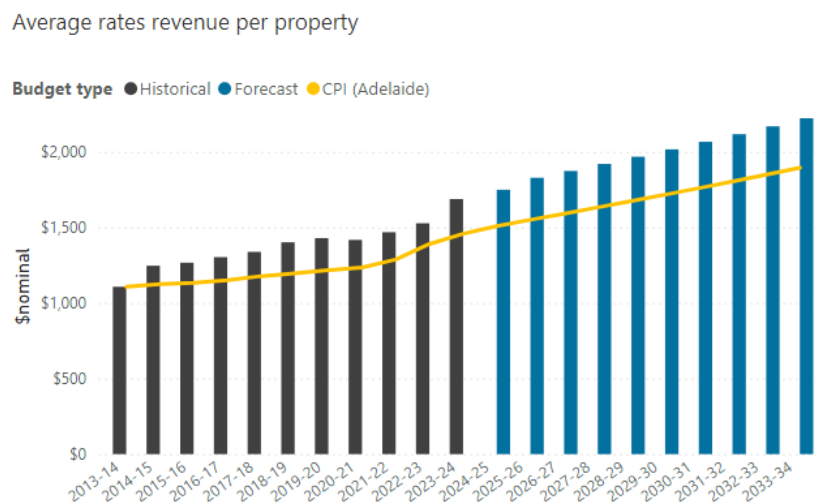
6 Advice on current and projected rate levels

6.1 Key points

-  Rate revenue per property increased at an average rate of 3.6 percent per annum over the 10-year historic period, which is 1.0 percent higher than the average CPI for the same period.
-  The forecast rate increase between 2024-25 to 2033-34 is 2.7 percent per property per annum, which is lower than the historical rate increase. At the same time the Council is forecasting a reduction in grant funding and nine operating deficits over the same period.
-  Effectively, through mitigating affordability risk, the Council is increasing sustainability risk, the likelihood of asset deterioration and the need for service rationalisation.

The Council's historical rate revenue per property growth has averaged 3.6 percent or \$47 per annum across all properties over the past 10 years,⁴⁷ to reach an estimated average of \$1,528 per property in 2022-23 (see figure 17). This increase was higher than the CPI growth, which averaged 2.6 percent per annum over the same period.⁴⁸ Rateable property numbers slightly decreased by an average of 0.1 percent per annum between 2013-14 and 2022-23.

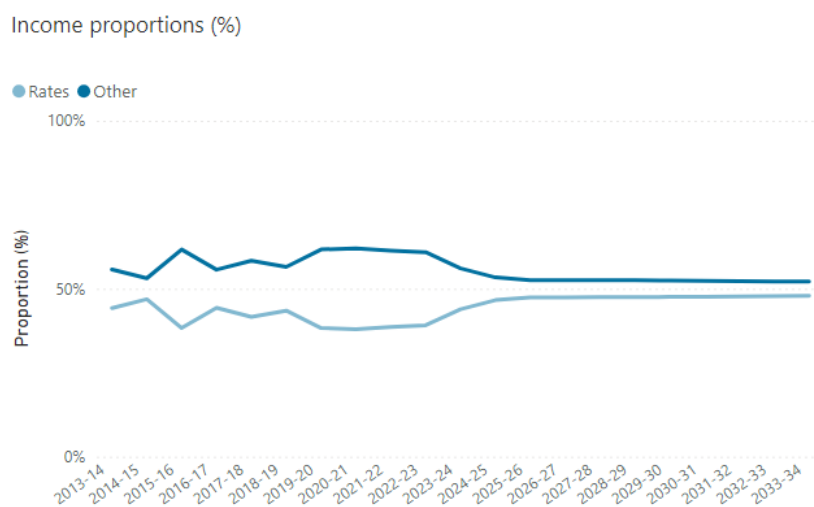
Figure 17: Average rates revenue per property – historical and projected



⁴⁷ From 2013-14 to 2022-23.

⁴⁸ CPI Adelaide (All groups). Average annual growth in the local government price index (LGPI) published by the South Australian Centre for Economic Studies was similar (at 2.5 percent). Available at <https://www.adelaide.edu.au/saces/economic-and-social-indicators/local-government-price-index>.

Figure 18: Income proportions (%)



The Council remains only partially reliant on its rate base for its operating sustainability (grants have contributed on average 45.5 percent of total revenue each year in the 10 years to 2022-23). As Figure 18 indicates, rates revenue is forecast to account for 39.1 percent of budgeted operating income in 2022-23, compared with 44.3 percent of income in 2013-14.

6.2 Proposed rate increases for 2024-25

The Council has budgeted for an average residential rate revenue increase of 4.9 percent across all properties based on its inflationary estimates.⁴⁹ This increase is above the RBA forecast of 3.0 percent to June 2025.⁵⁰

In the Council's previous ABP and Budget (for 2023-2024), it implemented a rate increase of 4.95 percent (a lower than CPI rate increase at that time) on the basis of a proposed further two years of above CPI increases at 4.95 percent in 2024-2025 and 2025-2026.⁵¹ The strategy was implemented by the Council after considering a range of matters including:

- ▶ understanding a number of emerging pressures and proposed new strategies
- ▶ reviewing its revenue options (limited capacity outside of rates and statutory charges), and
- ▶ considering options in relation to its capital expenditure.

Differential rate categories apply to different land uses within the Council area and all rate categories are estimated to increase by 4.95 percent.

On a proportional revenue basis, residential ratepayers account for around 46.0 percent of 2024-25 budgeted rates revenue, followed by primary producers (32.0 percent), and commercial other ratepayers (3.0 percent).⁵²

Other than 'general rates' revenue, the Council collects income from statutory and user charges, grants, investments and reimbursements.

⁴⁹ 2024-25 The Flinders Ranges Council Draft Annual Business Plan & Budget, p. 8.

⁵⁰ RBA data – forecast time series – <https://www.rba.gov.au/publications/smp/2024/aug>.

⁵¹ 2024-25 The Flinders Ranges Council Draft Annual Business Plan & Budget and Long-Term Financial Plan, p. 2.

⁵² 2024-25 The Flinders Ranges Council Draft Annual Business Plan & Budget, p. 8.

6.3 Projected further rate increases

Over the forward years of its LTFP, the Council is projecting average rate revenue increases of 2.7 percent for its ratepayers from 2024-25 to 2033-34.

In total, the LTFP effectively projects a cumulative increase of \$53 per annum per existing ratepayer (to an estimated \$2,223 per annum) by 2033-34, which is slightly above the RBA-based inflation forecast of an average of 2.6 percent per annum.⁵³

As a result of further rates increases, the percentage of the Council's total income contributions from ratepayers is projected to average 47.5 percent (from 2024-25 to 2033-34), compared to a historical average of 41.3 percent (from 2013-14 to 2022-23).

6.4 Affordability risk

Affordability risk among the community for these further rates increases appears to be moderate, on balance, when considering:

- ▶ the Council's relatively low socio-economic indexes for areas (SEIFA) economic resources ranking for the Council area⁵⁴
- ▶ the current average rates (across most ratepayers) without significant forecast increases above inflation for ratepayers, and
- ▶ the effect of cumulative increases in rates per ratepayer of approximately 2.7 percent per annum to the period 2033-34, which is in line with the forecast rate of inflation.

The Commission, however, notes that while these forecast rates increases appear affordable, they are not sufficient to improve the Council's financial sustainability, even in the context of the Council's ambitious low expense growth forecast. Effectively, through mitigating affordability risk, the Council is increasing sustainability risk, the likelihood of asset deterioration and the need for service rationalisation. The Commission considers there to be benefit in the Council engaging with its community urgently, as to whether it has the balance right across these trade-offs. This should be undertaken based upon updated AMPs to ensure consultation takes place with a robust and transparent understanding of the implications for depreciation and capital expenditure renewal needs.

6.4.1 The Commission's advice re affordability risk

It is not clear on the materials available to the Commission what the Community feedback was for the Council's latest ABP and LTFP. However, as the current economic environment continues to exert pressure on most communities' capacity to pay for further rate increases, including those of the Flinders Ranges Council, the Commission considers it would be appropriate for the Council to:

9. **Consider** providing a more in-depth discussion in its long-term financial plan of the Council's approach to rates and how these relate to asset/service rationalisation.

⁵³ The forecast average annual growth in the CPI from 2024-25 to 2033-34 is estimated to be 2.6 percent based on the RBA forecasts for the CPI (Australia-wide) to June 2027 (and the Commission's calculations of average annual percentage growth) and the midpoint of the RBA's target range (2.5 percent) from 2025-26.

⁵⁴ The Flinders Ranges Council area is ranked 17 among 71 South Australian 'local government areas' (including Anangu Pitjantjatjara and Maralinga Tjarutja Aboriginal community areas and 'unincorporated SA') on the Australian Bureau of Statistics SEIFA Index of Economic Resources (2021), where a lower score (e.g., 1) denotes relatively lower access to economic resources in general, compared with other areas, available at <https://www.abs.gov.au/statistics/people/people-and-communities/socio-economic-indexes-areas-seifa-australia/2021>.

7 The Commission's next advice and focus areas

In the next cycle of the scheme, the Commission will review and report upon the Council's:

- ▶ greater reporting transparency including a more in-depth discussion in its LTFP of the Council's approach to revenue generation from grants and its impact on rates and how these relate to asset/service rationalisation
- ▶ ongoing performance against its current LTFP estimates
- ▶ arrangements for annual update of AMPs and asset valuations and the alignment of budgets and LTFP to the updated AMPs, and
- ▶ the identification of opportunities for cost savings and operating efficiencies.

8 Appendix: Glossary of terms

Term	Explanation
ABP	Annual business plan
ABS	Australian Bureau of Statistics
AMP	Asset management plan (also called an IAMP)
ARFR	Asset Renewal Funding Ratio Since 2013, the asset renewal funding ratio has been defined as: $\text{Asset Renewal Expenditure} \div \text{IAMP Renewal Expenditure}$ Where IAMP Renewal Expenditure is that required according to the IAMP
Commission	Essential Services Commission, established under the <i>Essential Services Commission Act 2002</i>
CPI	Consumer Price Index (Adelaide, All Groups)
Council	The Flinders Ranges Council
CWMS	Community Wastewater Management System
F&A	Local Government Advice: Framework and Approach – Final Report
FTE	Full Time Equivalent
IAMP	Infrastructure and asset management plan (also called an AMP)
LG Act	<i>Local Government Act 1999</i>
LGA SA Financial Indicators Paper	Local Government Association of South Australia, Financial Sustainability Information Paper 9 - Financial Indicators Revised May 2019
LTFP	Long-term financial plan
NFLR	Net Financial Liabilities Ratio Net Financial Liabilities are defined as: Total Liabilities LESS Current Assets (Cash and Cash Equivalents) LESS Current Assets (Trade and Other Receivables) LESS Current Assets (Other Financial Assets) LESS Non-Current Assets (Financial Assets - excluding equity accounted investments in council businesses) The net financial liabilities ratio is: $\text{Net financial liabilities} \div \text{Total Operating Income}$
OSR	Operating Surplus Ratio The Operating Surplus (Deficit) is defined as: $\text{Total Operating Income LESS Total Operating Expenses}$

Term	Explanation
	The Operating Surplus Ratio is defined as: Operating Surplus (Deficit) ÷ Total Operating Income
Regulations	<i>Local Government (Financial Management) Regulations 2011</i>
RBA	Reserve Bank of Australia
SEIFA	Socio-Economic Indexes for Areas
SMP	Strategic management plan
The scheme or advice	Local Government Advice Scheme



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	THE FLINDERS RANGES COUNCIL 2026-2027 ANNUAL BUSINESS PLAN	Version Number Issued Last Review Next Review GDS Page	05.01/2027 06 August 2026 06 August 2026 01 May 2027 7.11.1 18 of 19
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Appendix 6 – Annual Business Plan Summary (As Distributed with Rates Notices)

2026-2027 ANNUAL BUSINESS PLAN & BUDGET SUMMARY



**The Flinders
Ranges Council**

Our Vision

Our community shares a deep respect for the Flinders Ranges region, history and people, and a commitment to its social, economic and environmental sustainability for both current and future generations.

Together the people and places that comprise the Flinders Ranges community make this a great place to live, raise a family, conduct business, visit & stay a while.

\$6.817m
Operating Income

\$0.210m
Capital Income

\$7.170m
Operating Expenditure

\$1.124m
Capital Expenditure

\$563k
Operating Deficit

\$2.533m
General Rates
(4.95% Increase)
\$1.949m Quorn Area
\$0.585m Hawker Area

\$12k
Increase in Cash
(Maintaining Cash Levels)

\$1.012m
Cash & Investments

\$61.168m
Net Assets

\$0.411m
Asset Renewal & Replacement

\$0.713m
New & Upgraded Assets

Council's Annual Business Plan sets out the services, programs and capital expenditure for 2026-2027 financial year. The Council's objective is to provide programs and services for the community and to progress the achievement of the goals and objectives of Council's Strategic Management Plans.

The Annual Business Plan, and the resulting budget, focus on ensuring the long-term sustainability of Council's financial performance and position whilst maintaining and improving public infrastructure and assets for the benefit of the community and delivering the programs and services required by the community within a financial framework the community can reasonably afford.

Council's long term financial sustainability is dependent on ensuring that, on average and over time, its expenses (including capital) are less than its revenue.

Significant Undertakings

\$435,500	Roads to Recovery Works (North Quorn)
\$425,000	Unsealed Road Resheeting
\$300,000	Patrol Grading
\$240,000	Changing Places Toilet Facility **
\$159,000	Loan Repayments
\$100,000	Township Resealing Works
\$ 75,000	Buckaringa Repairs
\$ 60,000	Pichi Richi Marathon
\$ 50,000	Footpath Upgrades & Improvements
\$ 50,000	Hawker Cemetery Flood Works
\$ 50,000	Hawker Institute Repairs
\$ 40,000	Plant & Equipment Changeovers
\$ 40,000	Tree Removal
\$ 25,000	Local Area Plans (Development)
\$ 25,000	Quorn School Crossing

** Dependent on External Funding

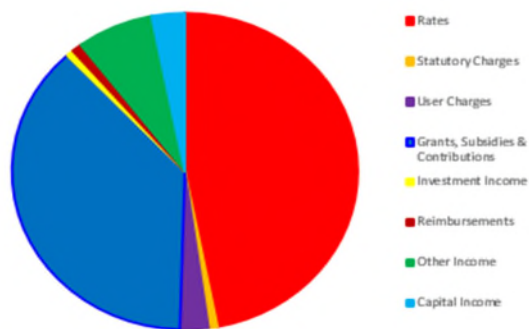
Area	4,127 km ²
Population	1,662
Hawker Area	347
Quorn Area	1,315
Employees	26 ave FTE
Road Network	1,262 kms
Sealed	52 kms
Unsealed	1,210 kms
Rateable Properties	1,668
Total Capital Value	\$510,459,620
Rateable Capital Value	\$496,523,200

- 8.5 Operating Surplus Ratio	- 204,728 Net Financial Liabilities
+ 33 % Asset Renewal Ratio	- 3.1 Net Fin. LiabilitiesRatio

Copies of the Full 2026-2027 Annual Business Plan, Budget, Fees & Charges and the Rating Policy are available for viewing or download from the Council website www.frc.sa.gov.au

Funding the Annual Business Plan

Council's long term financial sustainability is dependent on ensuring that, on average and over time, its operating and capital expenditure are less than its revenue.

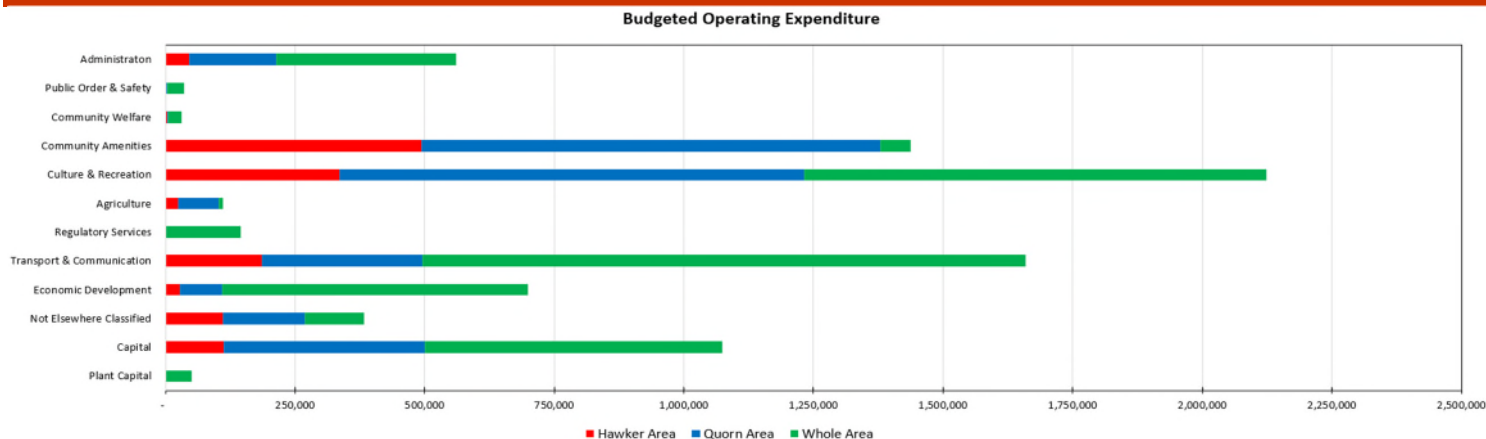


Services & Activities for 2026-2027

Expenditure within the Annual Business Plan is prioritised and determined by the strategic objectives contained within Council's suite of Strategic Management Plans.

The following table and graph summarises the operating expenditure across each of the key functional areas. It is split into expenditure in the Hawker area and Quorn area (where identifiable) and Council wide (where not).

Expenditure by Function	Hawker Area	Quorn Area	Council Wide	Total	
Administration	\$ 45,690	\$ 168,310	\$ 347,400	\$ 561,400	
Public Order & Safety	\$ 1,067	\$ 2,233	\$ 32,400	\$ 35,700	
Health	\$ 0	\$ 0	\$ 0	\$ 0	
Community Welfare	\$ 3,000	\$ 2,500	\$ 25,500	\$ 31,000	
Community Amenities	\$ 494,650	\$ 884,050	\$ 58,100	\$ 1,436,800	
Recreation & Culture	\$ 336,050	\$ 896,372	\$ 891,900	\$ 2,124,322	
Agriculture	\$ 24,552	\$ 77,747	\$ 8,400	\$ 110,699	
Regulatory Services	\$ 0	\$ 0	\$ 144,700	\$ 144,700	
Transport & Communication	\$ 185,201	\$ 310,399	\$ 1,163,900	\$ 1,659,500	
Economic Development	\$ 27,775	\$ 80,925	\$ 590,600	\$ 699,300	
Not Elsewhere Classified	\$ 111,500	\$ 156,700	\$ 115,200	\$ 383,400	
Works - Indirect	\$ 0	\$ 0	\$ 16,500	\$ 16,500	
Capital Expenditure	\$ 112,500	\$ 387,500	\$ 624,400	\$ 1,124,400	
Total	\$ 1,341,985	\$ 2,966,736	\$ 3,986,000	\$ 8,294,721	\$ 4,991 per capita
Per Capita - Hawker Area	\$ 3,867		\$ 2,398	\$ 6,266	
Per Capita - Quorn Area		\$ 2,256	\$ 2,398	\$ 4,654	



An outline of the activities within each of these functions is included in the full version of the Annual Business Plan

 The Flinders Ranges Council	THE FLINDERS RANGES COUNCIL 2026-2027 ANNUAL BUSINESS PLAN	Version Number Issued Last Review Next Review GDS Page	05.01/2027 06 August 2026 06 August 2026 01 May 2027 7.11.1 19 of 19
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Appendix 7 – Annual Rating Summary (As Distributed with Rates Notices)

2026-2027 RATES & CHARGES SUMMARY



The Flinders Ranges Council

Rateable Properties	1,668
Total Capital Value	\$510,459,620 (\$496,392,180 LY)
Rateable Capital Value	\$496,523,200 (\$483,434,100 LY)

2.5 %

Early Payment
Discount*

4.95 % ↑

General Rates

\$2.535 m

General Rates

\$1.956 m Quorn Area

\$0.578 m Hawker Area

\$20 (Occ) ↑
\$20 (Vac)

CWMS Charges

\$455 Occupied

\$435 Vacant

\$15 ↑

General Waste Charge

\$280 per Service

\$10 ↑

Recycling Charge

\$190 per Service

\$101,799

Regional

Landscape Levy

(\$ 99k Last Year)

\$113,379

Rate Rebates

Provided

\$3.179 m

Total Rates & Charges

(Net of Rebates)

(\$3.011 m Last Year)

As part of its Annual Business Plan, Council has decided to increase general rates by an average of 4.95 per cent.

In comparison, recent Consumer Price Index figures for Adelaide have been 4.9 per cent (March 2026 Qtr) and 3.8 per cent (June 2026 Qtr). This is considerably lower than many Councils.

Council has worked hard to keep the increase in rates to a minimum whilst continuing to provide its core functions and services, and rolling out major grant funded infrastructure projects for the betterment of the Community.

Valuations

Council has adopted the Capital Valuations as provided by the Valuer-General as the basis to raise the rates, and differentiates on the locality and land use of the property.

Capital value is the value of a parcel of land and any improvements such as building & structures

The VG uses property sales and market trends to determine levels of value. Other factors such as location, site influence, details and use, and any buildings or improvements influence the value.

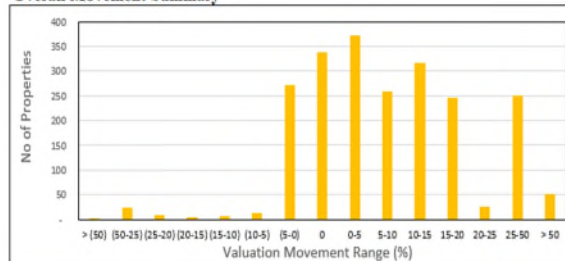
The capital valuations for 2026-2027 have increased by an average of 3.5% across the council area. The increase has varied in different locations and across different land uses:-

- Townships - ave increase between 5% & 14%
- Rural Areas - ave decrease between 0% & 2%

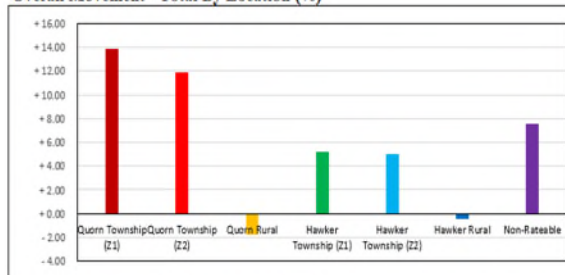
The graphs (right) illustrate these movements and the variations across the different locations and land uses. It is specifically noted that the decrease in average valuations in the rural areas and in the primary production land use is somewhat out of the ordinary following large increases over several years.

Council's rating methodology and structure, which utilises different rates in the dollar for different land use, minimises the impact of variable valuation movements on general rates as much as possible.

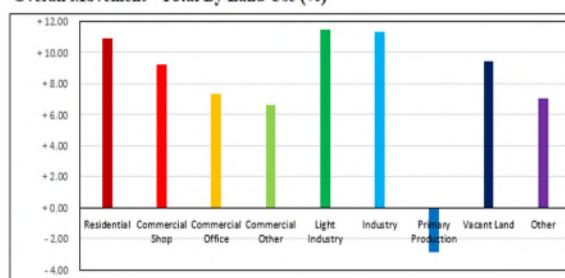
Overall Movement Summary



Overall Movement - Total By Location (%)



Overall Movement - Total By Land Use (%)



Rating Structure & Components - the Items on Your Rates Notice

Differential General Rates - calculated on capital value, locality & land use. Historically, the same land use rates have been used for each locality to maintain equity & fairness. The different rates for each land use are detailed in the table on the following page.

$$\text{Property Value} \times \text{Rates in the dollar} = \text{Rates Payable}$$

Minimum Rate - a minimum rate of \$1,021 has been set (applies to 23.3% of properties). It does not apply for land having a Primary Production land use & where 2 or more adjoining properties have the same owner & occupier, only 1 minimum rate is payable for the ratepayer.

Service Charges - to recover the costs of operating, maintaining & improving the Quorn & Hawker CWMS & the General Waste & Recycling Services provided by Council (different charge for each).

Rebates - a range of mandatory & discretionary rebates are provided to Government, Religious, Education & Community Service organisations.

Landscape Levy - Council is required to collect the levy on behalf of the State Government & does not retain this income nor determine how it is spent. Please call the SA Arid Lands Landscape Board on 08 8429 9666 for more information & details.

See Council's Rating Policy for full details on each of these rating structure components.

Overall Outcomes

Total Rates & Charges

(includes Service Charges
& SAALLB Landscape Levy)

728 Properties (33%)

No Change or Reduction

500 Properties (23%)

Increase 0 to 5 per cent

851 Properties (39%)

Increase 5 to 10 per cent

113 Properties (5%)

Increase >10 per cent

In Dollar Terms:-

728 Properties (33%)

No Change or Reduction

822 Properties (38%)

Increase \$0 to \$100

390 Properties (18%)

Increase \$100 to \$200

223 Properties (10%)

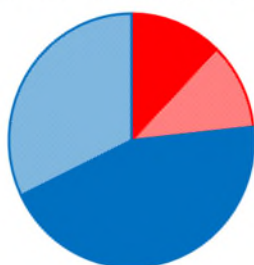
Increase \$200 to \$500

29 Properties (1%)

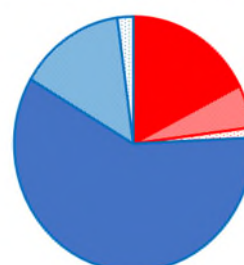
Increase >\$500

Rating Summary	Rate in \$	Hawker Area	Quorn Area	Non-Rat.	Total
General Rates					
Residential	0.529 c	\$ 166,450	\$ 979,968	\$ 0	\$ 1,146,418
Commercial (Shop)	0.730 c	\$ 9,087	\$ 30,666	\$ 0	\$ 39,753
Commercial (Office)	0.863 c	\$ 1,312	\$ 0	\$ 0	\$ 1,312
Commercial (Other)	0.863 c	\$ 60,255	\$ 104,434	\$ 0	\$ 164,689
Industry (Light)	0.817 c	\$ 1,675	\$ 3,349	\$ 0	\$ 5,024
Industry (Other)	0.817 c	\$ 0	\$ 10,964	\$ 0	\$ 10,964
Primary Production	0.382 c	\$ 270,296	\$ 667,182	\$ 0	\$ 937,478
Vacant Land	0.529 c	\$ 60,029	\$ 119,862	\$ 0	\$ 179,891
Other	0.973 c	\$ 9,232	\$ 39,995	\$ 0	\$ 49,227
		\$ 578,335	\$ 1,956,421	\$ 0	\$ 2,534,756
Service Charges					
CWMS (Occupied)		\$ 78,715	\$ 172,445	\$ 5,005	\$ 256,165
CWMS (Vacant)		\$ 10,005	\$ 14,355	\$ 870	\$ 25,230
General Waste		\$ 50,680	\$ 166,320	\$ 3,640	\$ 220,640
Recycling		\$ 35,530	\$ 115,520	\$ 2,090	\$ 153,140
		\$ 174,930	\$ 468,640	\$ 11,605	\$ 655,175
Regional Landscape Levy		\$ 24,824	\$ 77,858	\$ 0	\$ 102,683
Less Rebates		(\$ 42,462)	(\$ 70,917)	(\$ 0)	(\$ 113,379)
Total Rates & Charges		\$ 735,627	\$ 2,432,002	\$ 11,605	\$ 3,179,234
Per Capita		\$ 2,120	\$ 1,849		\$ 1,913

Total Rates & Charges By Location



Total Rates & Charges by Location & Type



Due Dates

Rates can be paid in full or by four instalments, which fall due on the following dates:



- First instalment - 30 September 2026
- Second instalment - 15 December 2026
- Third instalment - 15 March 2027
- Fourth instalment - 15 June 2027

Early Payment Discount *

To assist with the current cost of living pressures, Council is offering a discount of 2.5% on general rates for ratepayers who pay their full year's rates and charges in full prior to the first instalment date in September.

It is important to note that the discount is only calculated on the general rate component of the total rates account (it is not be calculated on the full amount which includes Service Charges and Separate Rates).

Financial Hardship

Any Ratepayer who experiences difficulty paying their rates should contact Council to discuss (on a confidential basis) alternative payment arrangements. Please note that financial and other information may be required to support your hardship claim. Any agreed arrangement will be based on capacity to pay and your current financial situation and will take arrears owing and future rates into account.

Concessions

The State Government has a range of concessions for eligible people. For more details, visit

www.sa.gov.au/topics/care-and-support/financial-support/

Council's rating methodology and structure, which utilises different rates in the dollar for each different land use, allows Council to minimise the impact of variable valuation movements on general rates as much as possible.



It is important to note that the rates charged on an individual property will not necessarily increase by exactly 4.95 per cent.

This will depend on how the property's valuation has moved in comparison to the average valuation changes for that land use throughout the Council.

More detail in relation to this is included in the full version of the Annual Business Plan.

A number of Fact Sheets in relation to Council rates, property valuations and financial assistance are available from the website.

Methods of Payment



In Person - payment may be made in person at the Council Office. Cash, Money Order, Cheque or EFTPOS may be used. Payment hours are:
Quorn Office: 1 Seventh Street, Quorn. Mon-Fri: 9.00am-5.00pm
Hawker Service Centre: Cnr Cradock & Wilpena Roads, Hawker Mon-Fri: 9.00am-5.00pm.



Credit Card (Visa or Master Card only) - via phone or in person.



Post - make cheques and money orders payable to "The Flinders Ranges Council" and crossed "Not Negotiable". Cheques are accepted conditionally subject to being met on first presentation. Post-dated cheques will not be accepted. No liability will be accepted for postal payments made by cash. Send your payment with tear off slip to The Flinders Ranges Council, PO Box 43, Quorn SA 5433.



NAB, BSB: 085-835
Account No: 67 737 3845

Account Name: The Flinders Ranges Council

Please use your assessment number as the reference number OR for multiple assessments use your Family or Company name.