



Renmark Paringa Council

Media Statement - 8 June 2022

Investing in our region, while reducing the rate in the dollar

Annual Business Plan & Budget 2022/23 – Draft for Consultation

Renmark Paringa Council has released its Draft Annual Business Plan & Budget 2022/23 for public consultation.

Council's key focus for 2022/23 is delivering projects that invest in the future of our region whilst also managing the community's resources in a financially sustainable manner.

Council rates are calculated as a proportion (or rate in the dollar) of the capital value of each property, as set by the State Government's Valuer General. As the Australian economy has been rebounding strongly in the wake of COVID-19, capital values have significantly increased in many areas, including Renmark Paringa.

Council's [Long Term Financial Plan](#) states that Council needs a total rate revenue increase of 6% per year in order to deliver services, maintain assets and develop new infrastructure. The 6% includes an assumption of inflation growth of 2.5% and capital valuation growth of 3.5% (most Councils do not include capital valuation growth when communicating council rate rises).

However, capital valuation growth is currently significantly higher than expected at 12.10%. Therefore, if Council was to charge the same rate in the dollar as last year, it would be recovering substantially more rates revenue than projected. In order to achieve the forecast 6% increase in rate revenue, Council has decreased the rate in the dollar by 2.7%.

While Council is reducing the rate in the dollar, most property types will still experience a small increase in council rates. This therefore means that based on the average residential property value of \$291,874, the increase in rates equates to approximately \$1.10 per week.

In 2022/23, Council is budgeting for \$5.057 million in capital projects, with \$9.458 million carried over from multi-year projects and projects that were delayed in 2021/22, due to challenges associated with COVID-19 and significant shortages in the construction sector for trades and materials.

The major projects to be delivered by Council in 2022/23 include;

- Upgrading the **Renmark Town Wharf** to replace existing plastic sheet piling with steel and constructing a new footpath.
- Improving agricultural and industrial efficiencies through completing the final stage of the **Government Road** strategic freight route.



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- Appointing a development partner to complete the planning for the remaining stages of the **Jane Eliza Estate** development, which has the potential to provide a long term and high quality housing supply.
- Revitalising the **Murray Avenue streetscape, amenity and wayfinding**.
- Re-designing the **Ral Ral / Renmark / Murray Avenue intersection**.
- Upgrading the **Renmark Wastewater Treatment Plant** to increase the capacity of the system and enable future population growth.

Council's Draft Annual Business Plan and Budget has forecast an operating deficit for the 2022/23 financial year of \$1.548 million. Whilst this is still a deficit budget, Council's Long Term Financial Plan had previously forecast a larger operating deficit of \$1.863 million for 2022/23.

As this is a planned operating deficit, Council is confident that the Annual Business Plan & Budget 2022/23 remains sustainable from a financial perspective without needing to increase rates (beyond the increases that will occur due to valuation growth).

Based on benchmarking with similar sized regional Councils, residential rates for Renmark Paringa Council remain between 29% and 72% below what an average property will pay in 2022/23.

As always, Council is focused on efficiency and ensuring that every dollar is spent wisely, transparently and for the benefit of our community.

Council's Draft Annual Business Plan & Budget 2022/23 is ambitious but deliverable and will ultimately guide us toward our vision '*To enhance the liveability, prosperity and sustainability of our community*'.

Public consultation on the Draft Annual Business Plan & Budget 2022/23 will commence on 15 June 2022 and will conclude at 5pm on 6 July 2022. A copy of the Draft Annual Business Plan & Budget 2022/23 and details in relation to making public submissions can be found [here](#).

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