

Corporate Administration Survey Summary



**Twelve months ended 30 June 2024
And 6 months ended YTD December 2024**

Introduction

Corporate administration expenditure remains a key focus for Boards and management across the aged care sector as organisations continue to seek for operating efficiencies. This focus has intensified with the significant increase in compliance and reporting requirements, alongside the introduction of multiple reforms and the new *Aged Care Act*. To support sector understanding, StewartBrown has conducted the Corporate Administration Survey, collecting data for the FY24 period and Year to Date December 2024 (first 6 months of Financial Year 2025).

The survey captures staff & non-staff related costs and headcounts & FTEs all by individual cost centre and business segment. Analysis has been undertaken relative to both operating revenue and total assets, providing a broader perspective on sector performance.

Key Highlights YTD Dec-24



64

Number of aged care providers represented in the *Corporate Administration Survey YTD Dec-24*



721

Number of homes represented in the *Survey*



41,316

Number of home care packages represented in the *Survey*



\$32.3b

Total assets under management of participants



\$11.6b

Annualised Total revenue of participants



\$11.4b

Annualised Total expenses of participants



13.96%

Average of total corporate costs as a % of operating revenue (YTD Dec-24)



8.54%

Average total corporate staff costs as a % of operating revenue (YTD Dec-24)



5.43%

Average total non-staff related corporate costs as a % of operating revenue (YTD Dec-24)



2.28%

Average *ICT Management* spend as a % of operating revenue (YTD Dec-24). Is now the largest corporate cost centre



1.45%

Average Technology expenses as a % of operating revenue (YTD Dec-24). Remains largest individual area of expenditure in non staff corporate costs



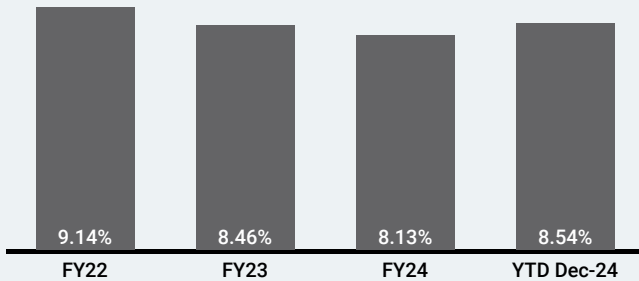
1.36%

Average *Finance, Payroll & Business Services* staff costs as a % of operating revenue (YTD Dec-24). Remains largest individual area of expenditure on staff costs

Corporate Costs as a % of Operating Revenue

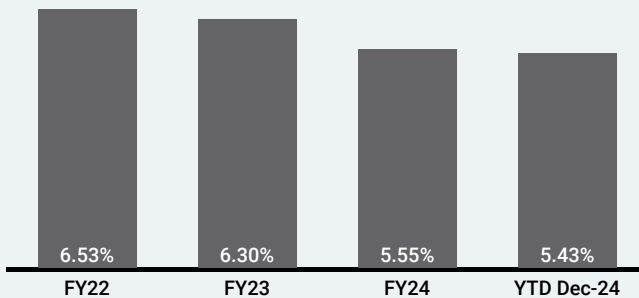
Trend

Corporate Staff Costs as a % of Operating Revenue



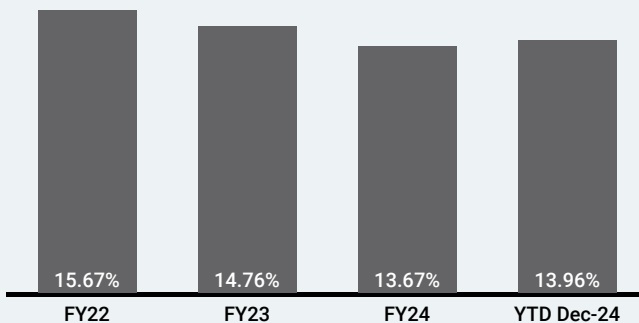
Corporate staff costs as a percentage of operating revenue have decreased year on year from FY22 (9.14%) to FY24 (8.13%), however for YTD Dec-24 they have increased by 0.41% to 8.54%.

Non-Staff Related Corporate Costs as a % of Operating Revenue



Non-Staff related corporate costs as a percentage of operating revenue have also trended downwards year on year since FY22 (6.53%) and that has continued through to YTD Dec-24 (5.43%).

Total Corporate Costs as a % of Operating Revenue



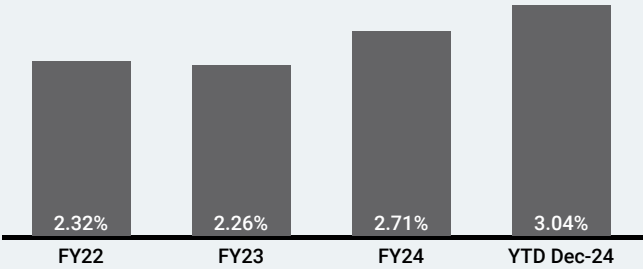
Total corporate costs as a percentage of operating revenue reached its lowest point in FY24 (13.67%). There has been a 0.29% rebound observed in the 6 month period to YTD Dec-24, which has been driven by the increase in staff costs displayed above.

Residential Aged Care revenue represents over 72% of total operating revenue for the survey participants. In FY23 and FY24, the Residential Aged Care sector received substantial increases in government funding, with average revenue growth per aged care home of 9% and 22% respectively, followed by a further 6% increase in the 6 months from FY24 to YTD Dec-24. Given the strong rate of revenue growth, it is important to also examine trends in total corporate costs using alternative metrics. Total Assets, being more stable over time, is becoming increasingly valuable for identifying underlying yearly trends.

Corporate Costs as a % of Total Assets

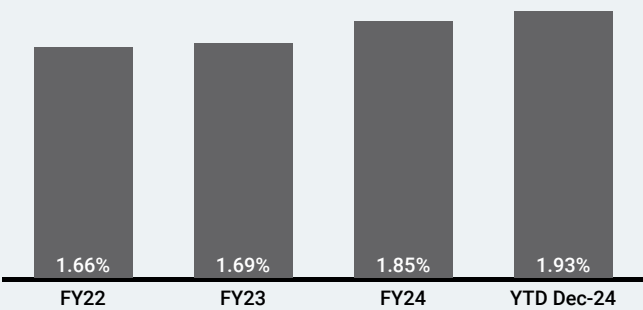
Trend

Corporate Staff Costs as a % of Total Assets



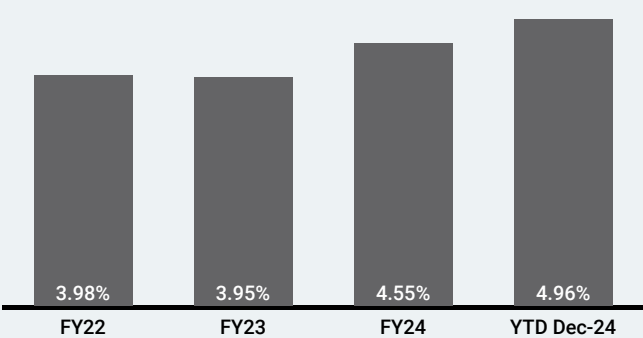
Corporate staff costs as a % of Total Assets follow a different trajectory to Operating Revenue, reaching a low in FY23 (2.26%) they have risen by 0.45% in FY24 (2.71%) and then a further 0.33% in the 6 months period to YTD Dec-24 (3.04%).

Non-Staff Related Corporate Costs as a % of Total Assets



Non-staff corporate costs as a percentage of Total Assets have shown consistent annual growth, highlighted by a sharp increase of 0.16% in FY24 (1.85%), followed by an additional 0.08% rise to its peak in YTD Dec-24 (1.93%).

Total Corporate Costs as a % of Total Assets



Over the 18-month period from FY23 to YTD Dec-24, total corporate costs as a percentage of Total Assets rose substantially, increasing by more than 1% from 3.95% to 4.96%.

Total Revenue as a percentage of Total Assets for survey participants has risen from 26.8% in FY23 to 35.5% as at Dec-24. Therefore, although corporate costs are increasing at a reduced rate to operating revenue, they continue to grow faster than Total Assets. This is reflected in the graph above, which shows an increase of more than 1% between FY23 and Dec-24. Given that the recent elevated rate of residential care funding is unlikely to be sustained, the continuation of corporate cost growth at the current pace presents a legitimate risk. Unless organisations adjust their rate of corporate expenditure growth accordingly, the resulting cost base could become disproportionate and difficult to recover within the service delivery model.

This is a short summary report on the findings of this survey.

**If you are interested in purchasing the full 39-page report,
please email us at benchmark@stewartbrown.com.au
for further details**

Corporate Administration Dashboard

StewartBrown

Corporate costs shown as % of:
Operating revenue

Selected Comparisons		
StewartBrown		
First Quartile (Costs as % of Revenue)		
All Organisations		



YTD Dec 2024



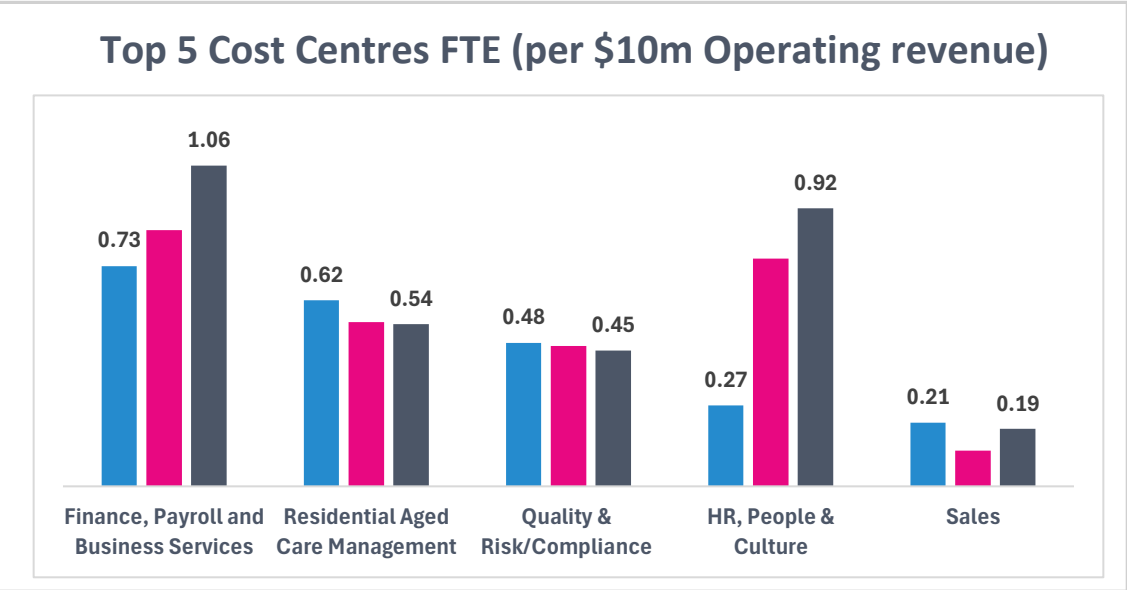
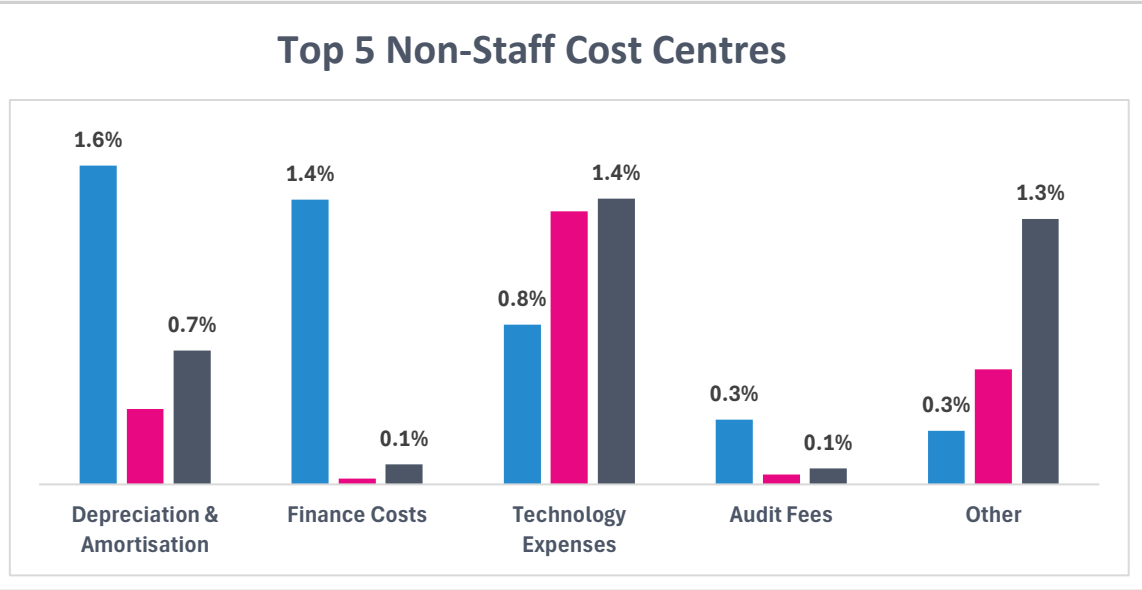
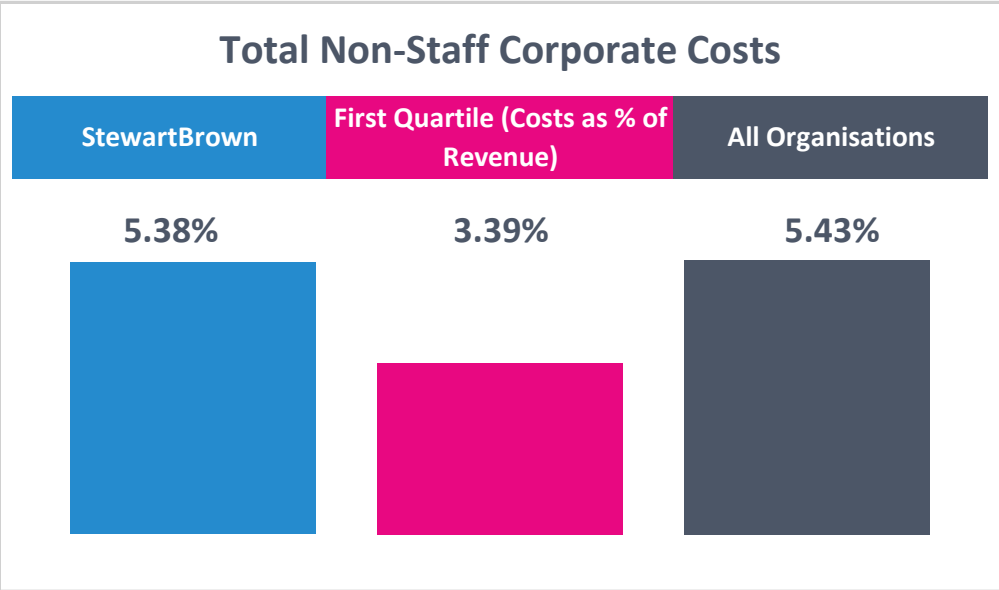
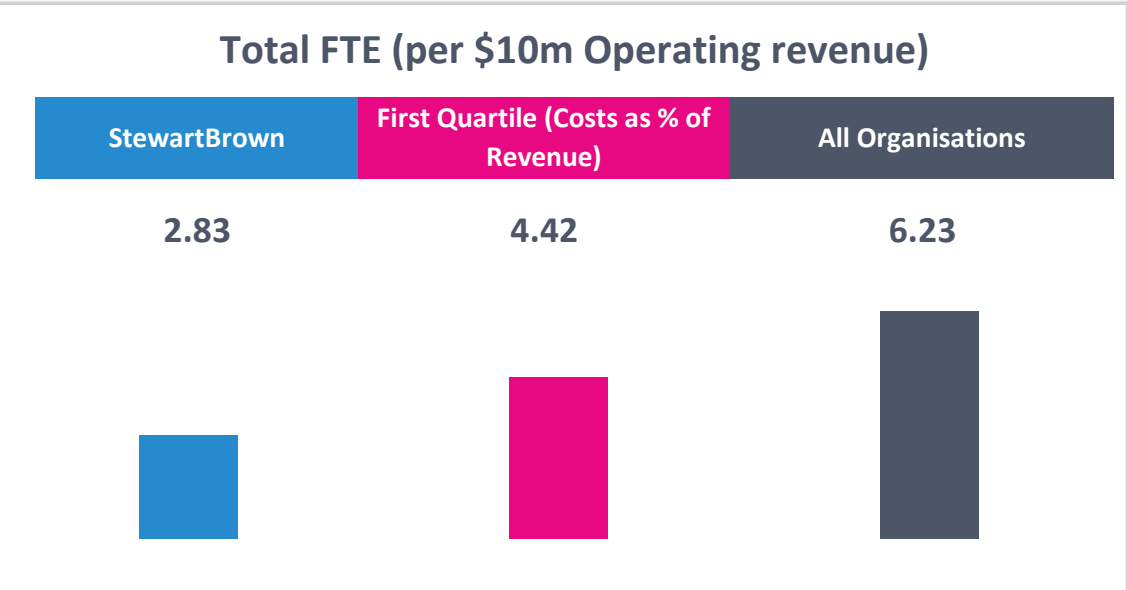
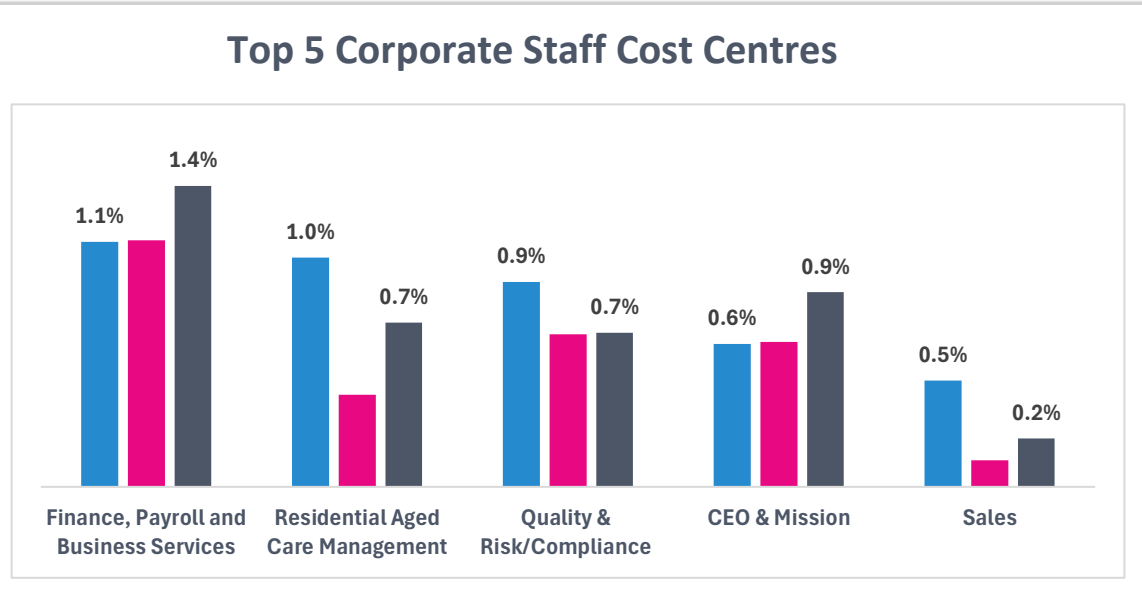
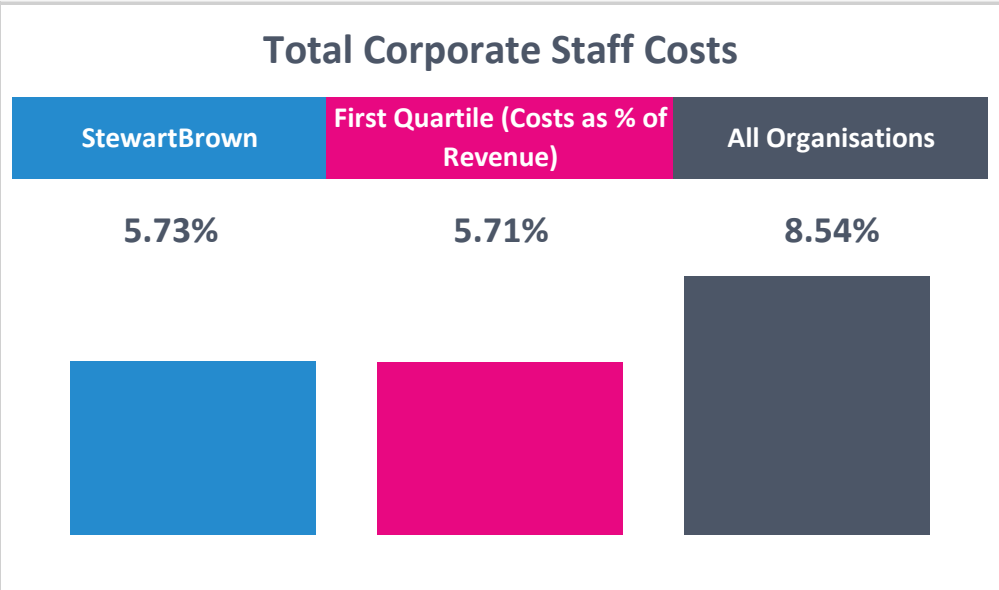
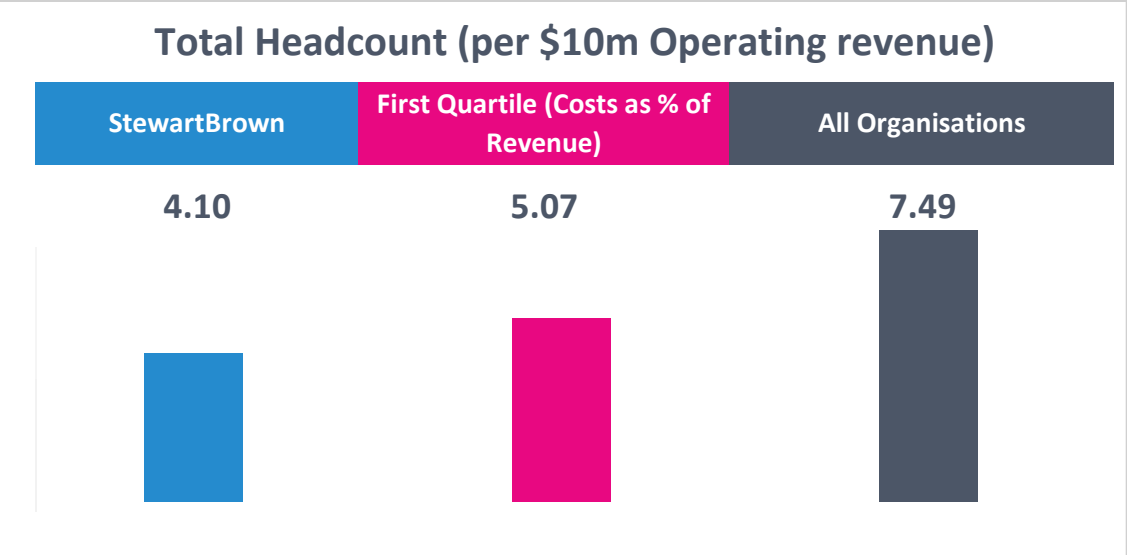
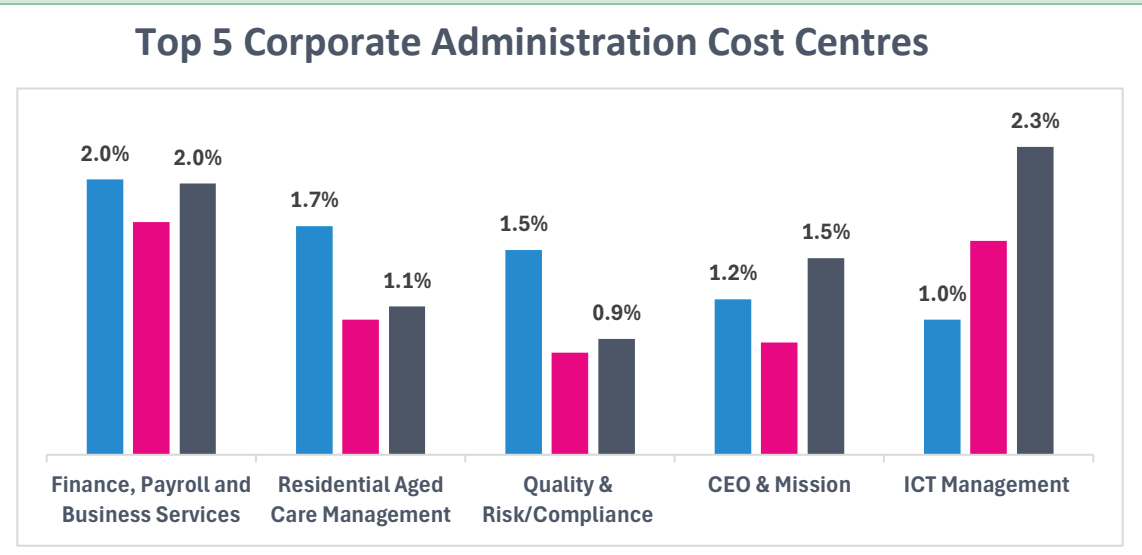
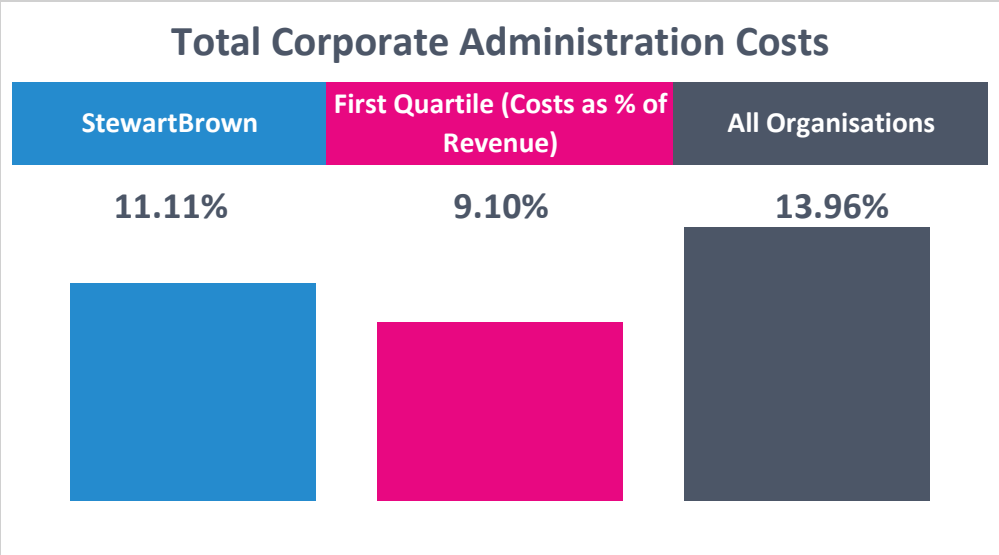
This is an example of providers receive for participating in the StewartBrown Corporate Administration Survey.

It is a **dynamic and interactive dashboard** that allows participants to compare their data against a selection of **18 different benchmarks, based on Provider Size, EBITDA Quartiles and Corporate Cost Quartiles.**

There is also the ability to run the reports for costs as % of Assets or Revenue and print straight to PDF to include in any of your various reporting packs.

In addition to this, participants receive a 6 page report providing a comparison of performance by individual line-item which is previewed on the next page.

Profiling Data	StewartBrown	First Quartile (Costs as % of Revenue)	All Organisations
Average Staff (FTE)	909	1,457	1,135
Average Staff (Head Count)	1,436	2,326	1,791
Average Operating Revenue (\$m)	74.94	125.39	90.55
Average Total Assets (\$m)	300.74	571.37	505.41
Residential % of Operating Revenue	100.00%	82.72%	72.13%



STEWARTBROWN FINANCIAL PERFORMANCE SURVEY
CORPORATE ADMINISTRATION REPORT FOR PERIOD ENDED 31 DECEMBER 2024

StewartBrown

	StewartBrown YTD Dec 2024	Medium (Operating Revenue) (19 Providers) YTD Dec 2024	Medium (Total Assets) (19 Providers) YTD Dec 2024	All Organisations (64 Providers) YTD Dec 2024
Profiling Data				
Average Number of Homes	8	5	6	11
Average Number of Operational Places	888	417	584	850
Average Number of Home Care Clients	999	325	341	646
Average Number of Villages	0	3	6	8
Average Number of Occupied Units	0	232	173	366
Average Staff (FTE)	900	632	743	1,135
Average Staff (Head Count)	1,500	935	1,140	1,791
Average Operating Revenue (\$m)	100.0	47.8	53.7	90.5
Average Total Assets (\$m)	200.0	308.3	274.0	505.4
Residential Revenue as % of Operating Revenue	75.0%	68.0%	78.9%	72.1%
Total Revenue as a % of Total Assets	50.0%	30.8%	38.9%	35.5%

Corporate Administration Costs by Cost Centre

	% of Total Assets	% of Operating Revenue	% of Total Assets	% of Operating Revenue	% of Total Assets	% of Operating Revenue	% of Total Assets	% of Operating Revenue
CEO & Mission	0.10%	0.50%	0.66%	2.15%	0.66%	1.70%	0.52%	1.46%
Strategy and Projects	0.50%	0.20%	0.21%	0.67%	0.14%	0.37%	0.22%	0.61%
Finance, Payroll and Business Services	0.20%	0.60%	0.79%	2.58%	0.90%	2.31%	0.72%	2.01%
Procurement	0.60%	0.30%	0.07%	0.23%	0.10%	0.27%	0.07%	0.19%
HR, People & Culture	0.30%	0.70%	0.70%	2.29%	0.77%	1.99%	0.66%	1.87%
Quality & Risk/Compliance	0.70%	0.40%	0.28%	0.91%	0.34%	0.87%	0.31%	0.86%
Marketing and Business Development	0.40%	0.80%	0.24%	0.79%	0.31%	0.79%	0.25%	0.71%
Sales	0.80%	0.50%	0.02%	0.06%	0.08%	0.20%	0.09%	0.26%
ICT Management	0.50%	0.90%	0.55%	1.80%	0.77%	1.99%	0.81%	2.28%
Property Services	0.90%	0.60%	0.25%	0.81%	0.41%	1.06%	0.26%	0.73%
Hotel Services	0.60%	1.00%	0.03%	0.10%	0.07%	0.19%	0.03%	0.08%
Residential Aged Care Management	1.00%	0.70%	0.24%	0.77%	0.38%	0.97%	0.39%	1.10%
In-Home Aged Care Services	0.70%	0.20%	0.15%	0.49%	0.28%	0.71%	0.21%	0.59%
Seniors Housing Management	0.20%	0.80%	0.06%	0.18%	0.07%	0.18%	0.10%	0.28%
Disability Services	0.80%	0.30%	0.02%	0.05%	0.02%	0.04%	0.00%	0.01%
Other Community Programs	0.30%	0.90%	0.04%	0.13%	0.04%	0.09%	0.03%	0.08%
Other Support Services	0.90%	0.30%	0.20%	0.64%	0.24%	0.61%	0.17%	0.47%
Other	0.30%	0.10%	0.07%	0.23%	0.05%	0.13%	0.12%	0.34%
Total Corporate Administration Costs	9.8%	9.8%	4.6%	14.9%	5.6%	14.5%	5.0%	14.0%

Benchmark Report

Download Excel

Quarter

Trend

Year

2025

Quarter

2

Select Services (Select All)(Clear)

× StewartBrown

Aggregate Services

No

Select Benchmarks

× All Organisations

× Medium (Operating Revenue)

× Medium (Total Assets)

× First Quartile (Costs as % of Revenue)

× First Quartile (Corporate Costs as % of Total Assets)

Add Custom Benchmark

Select Report Format

% operating revenue

Update

Profiling Data

	All Organisations (64 Organisations) 2025 Q2	First Quartile (Costs as % of Revenue) (16 Organisations) 2025 Q2	Medium (Operating Revenue) (19 Organisations) 2025 Q2	Medium (Total Assets) (19 Organisations) 2025 Q2	First Quartile (Corporate Costs as % of Total Assets) (16 Organisations) 2025 Q2
Average Number of Homes	11	15	5	6	7
Average Number of Operational Places	850	1,268	417	584	629
Average Number of Home Care Clients	646	461	325	341	231
Average Number of Villages	8	11	3	6	7
Average Number of Occupied Units	366	399	232	173	452
Average Staff (FTE)	1,135	1,457	632	743	784
Average Staff (Head Count)	1,791	2,326	935	1,140	1,160
Average Operating Revenue (\$m)	90.55	125.39	47.82	53.72	68.94
Average Total Assets (\$m)	505.41	571.37	308.32	273.97	612.69
Residential Revenue as % of Operating Revenue	72.13%	82.72%	67.96%	78.89%	79.40%
Total Revenue as a % of Total Assets	35.54%	43.53%	30.77%	38.90%	22.32%

Ranking of Provider

Size (Revenue)	-	-	-	-	-
Corporate Administration Quartile	-	-	-	-	-
EBITDA Quartile	-	-	-	-	-
Overall Ranking (Corporate Admin as % of Operating Revenue)	-	-	-	-	-