

Department of Environment, Land, Water and Planning

Question 1

The *Local Government* output has seven non-cost performance measures, the targets for which are unchanged from the 2014-15 budget papers. Six of these measures have been renamed in order to increase clarity, reporting on the same activity as previously. However, the target output cost for 2015-16 has increased from \$59.7 million in 2014-15 to \$112.1 million in 2015-16 (87.8 per cent). (Budget Paper No.3, pp.213-4) Please indicate:

- (a) what additional activities, if any, have caused the increased cost

The increase in the *Local Government* output is due to funding provided as part of the 2015-16 Budget. The majority of this increase is a result of the Victorian Government's investment in the Interface Growth Fund (IGF). The IGF is a \$50 million fund dedicated to supporting Melbourne's interface councils to accelerate the delivery of critical community infrastructure.

- (b) why there are no performance measures impacted by these activities.

As part of the 2015-16 Budget, funding for IGF was provided for one year only in order to inform future government decision making about the best approaches to supporting interface councils to meet their service and infrastructure challenges in the context of rapid population growth.

In line with best practice, an evaluation of IGF will be undertaken to report on the contribution the program has made to the Victorian community and to provide a means of informing the scope and design of any potential future IGF program.

If further funding is provided for IGF beyond 2015-16, inclusion of relevant performance measures will be considered in order to demonstrate the efficiency and effectiveness of output delivery over time.