



Legislative Council Economy and Infrastructure Committee

Inquiry: Inquiry into Local Government funding and services

Hearing Date: 19 September 2024

Question[s] taken on notice

Directed to: Hume City Council

Received Date: 15 October 2024

1. The DEPUTY CHAIR, Page 52

Question asked:

The DEPUTY CHAIR: And the large proposal for increased density in the catchment area that surrounds, up to six storeys in that – is there any plan that you are aware of for education services, health services and open space, for example, in those areas?

Sheena FROST: I would have to take that on notice; I am not across the detail. Certainly I think the primary objective has been to deliver more housing. I am not across the detail. I would have to take that on notice around that provision.

Response:

The Victorian Government is consulting on the Broadmeadows Activity Centre Plan. The current draft refers to the need for additional open space and community infrastructure to support growth but doesn't identify specific items. A submission by officers to the consultation has outlined the need for infrastructure to accompany growth.

2. The DEPUTY CHAIR, Page 52

Question asked:

The DEPUTY CHAIR: Yes. Windfall gains tax is another part of that mix. So that is in now. If a rezoning occurs and there is an uplift, 50 per cent of the uplift value is collected by the state government as a windfall gains tax. I can vouch for the fact that when the Bill went through we sought to move an amendment to allow works in kind for that but also to allow for the money that is collected in a municipality to be hypothecated to that municipality. Have you calculated the windfall gains tax impact and how that will operate on that set of levies and charges that are collected?

Sheena FROST: We would have to take that one on notice in terms of impact on us. I think it is worth drawing the committee's attention to the Outer Melbourne Councils submission. I am not sure if that was formally submitted, but they did a report, *Gearing up for Growth*, and that also refers to windfall gains tax reform and seeks an exemption to support councils in financing the

necessary infrastructure projects. But certainly we will take on notice calculations around windfall gains tax.

The DEPUTY CHAIR: And the windfall gains tax – leaving aside the growth areas and noting that your municipality is one of those ones that has got a foot in the older established areas but also has got new growth areas, the windfall gains tax would apply to your established areas?

Sheena FROST: Correct.

The DEPUTY CHAIR: Have you worked out the impact of that on those developments?

Fadi SROUR: We would have to take that on notice. We are well aware of it, but currently there is no parcel of Council owned land that it is applicable to.

Response:

Council has no current developments that would be impacted by Windfall Gains Tax. Council generally supports a WGT exemption for local government when delivering a development that enables community benefit.

Council has a draft Strategic Property Framework and land holdings identified as future possible sites would attract WGT should Council make a decision to develop those sites.

3. John BERGER, Page 53

Question asked:

John BERGER: What is the uptake in Hume for solar panels?

Sheena FROST: I would have to take that on notice, I am sorry.

Response:

Hume has installed over 3.7MW of solar on Council owned facilities which generates around 4.4MWh of renewable energy per year equivalent to carbon savings of 3, 8181 tonnes CO₂e per year. Over the last four financial years there has been an average Council investment of **\$225,000 per year**. Most solar systems installed by Council have a financial return on investment of around 7 years. The main exception is where Council installs solar systems on council buildings leased to community organisations in which case the community organisation directly benefits from the electricity bill savings.

Council's solar program sets a tangible example of leadership for the Hume community. Research indicates that up to 18 per cent of solar is influenced by neighbourhood installations. As of June 2024, the percentage of homes with solar across Victoria was 28.8 per cent. Several Hume suburbs exceed this

statewide average with solar penetration particularly high at 36 per cent in Sunbury, Craigieburn, Kalkallo, Mickleham and Roxburgh Park.

From 2021 – August 2024 Hume City Council delivered the Hume Solar Roll-out program in partnership with the Yarra Energy Foundation. The program made it easier for residents to receive a quote for solar from a trusted supplier and access Victorian Government rebates.

More than 1,100 residents received advice through the program and 301 households installed solar including 70 concession card holders who were supported with an additional Council rebate of up to **\$920**. In total 1,408 kW of solar has been installed through the Hume Solar Roll-out with avoided carbon emissions over the life of the solar panels estimated at 40,000 tonnes (CO₂e).

The annual operating budget for the program is around **\$40,000** including funding for rebates. Building on the success of this program Hume has recently launched the Hume Home Energy Upgrades program which continues to facilitate solar installations along with other energy efficiency products to reduce carbon emissions, bills and improve thermal comfort for residents, especially those vulnerable to bill stress.

4. **Sarah MANSFIELD, Page 56**

Question asked:

Sarah MANSFIELD: Is there anything else looking forward that you would like to be investing in? I know some councils, for example, would like to see initiatives around circular economy precincts and that sort of thing invested in, but the cost of such things is well beyond what most councils can afford.

Sheena FROST: I could take on notice anything on the forward programs. I mean, behaviour change and education programs are significant and costly, so ours is very basic and small. But to do it well across a population our size would require far more investment. Absolutely.

Response:

Illegal dumping is a significant issue in our community so should additional funding be allocated back to Council there would be several initiatives that we would seek to implement, including:

- Additional education programs to help promote the waste services we have on offer – particularly targeting those hard-to-reach communities where English is a second language.
- Resource recovery from illegally dumped rubbish.
- Our Bolinda Road Resource Recovery Centres requires significant investment to expand the range of materials recovered.
- Recommencing the *Detox your Home* program which has been de-funded by Sustainability Victoria. Funding to enable recommencement of programs throughout Victoria would be welcomed.
- Funding to support waste drop-off events in the Craigieburn area to aim to reduce dumped rubbish where we could prioritise resource recovery through source separation.

5. Sarah MANSFIELD, Page 57

Question asked:

Sarah MANSFIELD: Are there any services that your council has had to withdraw from or reduce the scope of that service as a result of some of the funding pressures that you are experiencing?

Sheena FROST: We stopped doing a landfill service. We closed our landfill early. That is still going to cost us a lot of money in terms of the rehab, but we have certainly made that decision to close that landfill early because of the costs. It just was not cost effective for us to keep maintaining that, so we have closed that landfill. In terms of other services in the last couple of years, I would probably take that on notice because there may be examples that I can point to but it is before my time.

Sarah MANSFIELD: Aged care is one that a number of councils have decided to exit. I am not sure what role your council has in the aged care space, but is that something that you have had to consider?

Sheena FROST: As I understand it, the transition to packages was some time ago, so we are providing that service. I will take on notice the details around what we do, but I certainly know the council in its current state is committed to providing that aged care service.

Sarah MANSFIELD: Thank you.

Response:

Hume City Council contributes approximately \$2.5 million towards providing the following services to assist frail older people to remain living at home:

- **Respite** – Provides support for caregivers to take regular breaks.
- **Domestic Assistance** – Provides support with tasks to maintain a safe and healthy home, including vacuuming, bed making, mopping, laundry etc.
- **Personal Care** – Supports activities of daily living, such as showering and dressing
- **Meals** – Assists with access to meals which are delivered to the home.
- **Home Maintenance and Modifications** – Services that help maintain a safe and habitable home, including rail installation, changing light bulbs etc.
- **Social Support – Group and Individual** – Supports social connection and community participation through group-based and individual activities.
- **Specialised Support Services** – Assistance for people living at home with a clinical condition and/or specialised needs
- **Assistance with Care and Housing (ACH)** - Supports those who are homeless, at risk of homelessness or unable to receive required supports due to living with hoarding behaviour.

Council also delivers the following programs that are fully funded by the State Government. In 2024/25 this amount is \$870,000.

Access and Support - Assists people with disparate or complex needs relating to diversity to access services that will improve their capacity to live in the community as independently as possible.

Assessment - Evaluates a person's and their carer's needs to help them live independently at home. It involves care planning that connects the person with appropriate services.

Community Care – Provides personal and in-home support services, including assistance with daily activities like dressing, bathing, meal preparation, personal safety, and facilitating access to the community.

Delivered Meals - Assists with access to meals which are delivered to the home.

Social Support - Provides one-on-one, small group social connection and community engagement.

HACC PYP Property Maintenance - Help maintain a safe and habitable home, including rail installation, changing light bulbs etc.

HACC PYP Volunteer Co-ordination – Manages and supports volunteers who assist clients in maintaining independence at home.

6. **Bev McARTHUR, Page 58**

Question asked:

Bev McARTHUR: Out of interest, what is the breakdown of your budget that goes into, say, head office salaries?

Sheena FROST: I might need to take that on notice. Can I clarify, so you would be talking about the executive level salaries?

Bev McARTHUR: Yes –

Sheena FROST: I will take that on notice, if that is all right. I will take that on notice.

Response:

Salaries of the Senior Leadership team represents approximately 1.8% of the total expenditure budget.

7. **Bev McARTHUR, Page 59**

Question asked:

Bev McARTHUR: Do you have the information about how much it is actually costing you to comply with all the state government rules and regulations that are now being imposed on local government?

Sheena FROST: No, we would not have that. I can take that on notice.

Bev McARTHUR: Take that on notice – thank you. Thank you very much. That is all from me.

Response:

Unfortunately it is not possible for Hume City Council to provide an accurate picture of the cost of regulation.

Regulatory compliance costs are incurred across the business including, but not limited to finance, planning and building, governance, early years and human resources functions.

8. **Evan MULHOLLAND, Page 59**

Question asked:

Evan MULHOLLAND: Just a quick one that lots of other councils have had

feedback on. I just wanted to quickly ask if Hume City Council has been advised by the state government on the new immunisation charge, and I am wondering whether you know what cost that will be for the council.

Sheena FROST: We are not part of that. As I understand it, that is the booking service.

Evan MULHOLLAND: Yes.

Sheena FROST: We are not actually part of that, so –

Bev McARTHUR: You do not deliver any immunisation?

Sheena FROST: No, we deliver immunisation, but we were using our own software, so we are not using that one.

Bev McARTHUR: So you do not have to pay that \$6000 fee?

Sheena FROST: No.

Bev McARTHUR: Per jab, do you have to pay?

Sheena FROST: I will have to take that one on notice as to any cost per jab.

Evan MULHOLLAND: No worries. Just wanted to check that. Thanks.

Response:

The cost per immunisation for Hume City Council is \$24.12 after accounting for NIP funding (\$8.76). This includes materials, storage, transport, handling salaries, and other associated costs.

9. The DEPUTY CHAIR, Page 60

Question asked:

The DEPUTY CHAIR: Okay. I am just going to ask one or two very quick ones, and then people might have 30-second questions. Grants commission money that comes to you – how much per head? You may have to take that on notice.

Sheena FROST: Yes, we will take it on notice.

Response:

This amount represents approximately \$86 per head of population.

10. The DEPUTY CHAIR, Page 60

Question asked:

The DEPUTY CHAIR: Have you tabulated up the amount of tax and so forth

that has gone out of the municipality in levies – GAIC, development contributions, infrastructure contributions of various types – and what has come back in? Is there a figure that you have on some of that?

Fadi SROUR: We would have to take it on notice, but if there was a timeframe, we could calculate it.

The DEPUTY CHAIR: The last five years, for example.

Fadi SROUR: Yes, sure.

Response:

Council pays funding to the State Government for the EPA Levy and the Fire Service Levy. The Fire Services Levy paid is for Council owned properties.

Over the last five years we have paid over \$31 million for the EPA Levy and over \$2.3 million for the Fire Services Levy.

As a growth area projects within our municipality are supported by the GAIC. Specifically within Hume:

- Developers have contributed \$113.77m to the BNCF and \$110.39m to the GAPTF for a total of \$224.17m
- Of the total \$159.6m has been committed to projects and \$113.44m has been paid out by the SRO

[https://public.tableau.com/app/profile/planning.victoria/viz/GAICDashboard/Contribution overview](https://public.tableau.com/app/profile/planning.victoria/viz/GAICDashboard/Contribution%20overview)

This website (<https://mapshare.vic.gov.au/gaic/>) provides a graphical map that shows the projects that have been committed. If you click the individual icons, it will tell you the specifics of each project.