



Legislative Council Economy and Infrastructure Committee

Inquiry: Inquiry into Local Government funding and services

Hearing Date: 26 June 2024

Question[s] taken on notice

Directed to: Local Government Finance Professionals

Received Date: 9 July 2024

1. **David DAVIS, Page 46-47**

Question asked:

Just on this issue of the sources of revenue, they have got the financial assistance grants, they have got their own source revenue and they have got state government funding and obviously the state impact of rate capping. But just in terms of direct state payments – payments made by state government to councils – do you add those up?

Bradley THOMAS: I do not think we have got that detail in front of us.

David DAVIS: Has anyone added that up?

Bradley THOMAS: We would be able to provide that. We will have that detail.

David DAVIS: And a bit of a time series would be very useful on that too.

Bradley THOMAS: We would be able to provide that.

Nathan MORSILLO: We would be able to provide that. It is within local government annual reports. It is split between state and federal governments. We report on it already through various reports. We just do not have the summary here in front of us. But it is less than 10 per cent that is grant-funded generally, including the FA grants, so it will not be a significant component of direct funding, if that makes sense.

Response:

The following information is sourced and publicly available from the VLGCC returns (from the State Local Government [website](#)).

Grants contracted by the State Government for delivery by Local Government over the past three financial years are summarised in the table below. These cover a wide range of services with the vast majority being grants with specific performance, acquittal and service delivery requirements.

In summary these grants have averaged \$1.04B per year over the past three years between State and Local Government. A time series is included as requested in the table following.

	State Govt (to Local Gov) Recurrent	State Govt (to Local Gov) Non-Recurrent	Total Grants (per annum)
2020/2021	\$390,611,858	\$666,637,243	\$1,057,249,101
2021/2022	\$391,835,186	\$625,250,509	\$1,017,085,695
2022/2023	\$433,523,725	\$638,715,903	\$1,072,239,628