



Legislative Council Economy and Infrastructure Committee

Inquiry: Inquiry into Local Government funding and services

Hearing Date: 21 August 2024

Question[s] taken on notice

Directed to: Campaspe Shire Council

Received Date: 26 September 2024

1. The Chair, Page 19

Question asked:

The CHAIR: You are more than welcome to provide this to the committee to read in full as well.

Matthew McPHERSON: Okay. Maybe we will do that. Similar to Buloke, the inability to attract skilled workers due to being under market rates is one of the issues we wanted to highlight. We wanted to highlight some more cost shifting as well, which we can do through the discussions. And emergency grant funding – again, Buloke mentioned this as well – is a massive problem. The complexity involved and the evidentiary requirements involved just make it very difficult. We have a specific example we are going to give around one of our roads, where at the moment we have agreement on around 40 per cent that will be funded. It was impacted by the floods. The reason given is partly due to evidence requirements and partly due to the fact that to reinstate that road to today's current safety standards we would need to install guardrails and we would need to remove some trees. That is deemed as 'upgrade'. That is deemed as –

Daniel McLOUGHLAN: Betterment.

Matthew McPHERSON: Yes, betterment. And it is not funded. So we are stuck with a situation where for a \$1.9 million stretch of road – several kilometres of sealed road – we are only going to get funded for 40 per cent of it. It was damaged in the floods. It is not sustainable for council. We are happy to take questions.

Response:

The attached document (titled Inquiry into LG Sustainability 21 August 2024 – Campaspe Speaking Notes.pdf) provides the submission notes in full that Campaspe representatives were going to verbally present to the committee. Council was of the understanding that we had 15 minutes to ourselves to provide this as a verbal submission – apologies for the misunderstanding.

2. The Chair, Page 19

Question asked:

The CHAIR: In conversation with local foster carers and rescue groups, I have been told they do not have the capacity to take on this extra work, especially given that they are volunteers and an animal shelter has paid staff. Could you tell us – and you are welcome to take this on notice – just how many local foster carers and rescue groups you have engaged with before making this decision and also how many animals you expect it to impact?

Matthew McPHERSON: I am going to have to take that on notice, I am sorry.

Response: Council, through its consultant engaged with several rescue groups, re-homing and adoption organisations before making its decision. Council will also use the next 12 months to further engage with community and other interested parties. Regarding animal numbers, rehoming figures for the 2022-23 financial year were 343 animals re-homed and Council has no reason to expect that to change significantly in the future.

3. David DAVIS, Page 26

Question asked:

Matthew McPHERSON: Good in theory – at Campaspe it might work fine for us, but the waste transfer station which we deliver all our waste and our bins to takes not only Campaspe's waste but also over the border from New South Wales, who they do not have the requirement to strip glass out of the waste stream. So in our waste stream is a lot of glass. Nothing we do will change that.

David DAVIS: Will make any difference. But you also do pay a levy. Do you get any of that back?

The CHAIR: We will have to get you to take that one on notice because we do need to finish up.

Response:

Council spends \$7.8 million per annum on its waste services. Since the release of the State Government's 10-year waste and recycling policy, 'Recycling Victoria, A new economy plan' Council has paid over \$2.36million in Waste Levy and has received only \$445,000 in total from these proceeds to

implement waste related initiatives. Any contribution back to Council is likely to be much lower in coming years as borne out by DEECA’s Sustainability Fund Activities report 2022-23 which projects much lower expenditure from the State’s Sustainability Fund in the future.

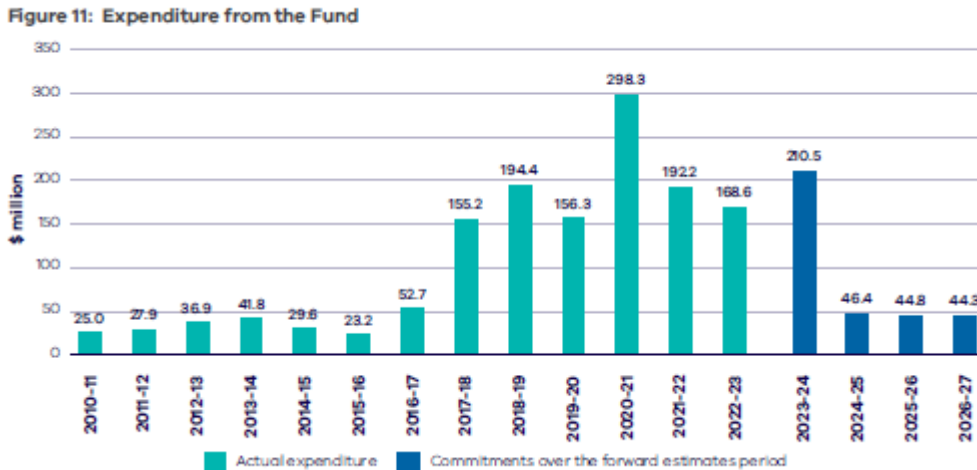


Figure 1 - Chart from page 54 of the DEECA Sustainability Fund Report showing reduced forward expenditure estimates. Ref: https://www.environment.vic.gov.au/__data/assets/pdf_file/0042/599379/SustainabilityFundActivitiesReport2022-23.pdf

The maximum funding (\$160,000) available to assist Campaspe Shire Council in implementing the kerbside reform program is woefully inadequate when the cost to purchase bins alone is over \$1 million.

Some of Council’s key concerns in this area include:

- The kerbside reforms seem have little consideration of operational demands on Councils and the costs that will have to be passed on to the community.
- We know it will cost approximately \$750,000 to roll out the glass bins to satisfy the legislation, and a further \$350,000 for Food Organics and Garden Organics (FOGO), plus the other promotional material and related costs. As noted above, the additional funding provided towards this by the State Government is insufficient and the cost is being forced onto Council.
- There is no other funding on the horizon to contribute to the increased operational costs expected by the kerbside glass bin estimated at \$270,000 per annum. Bins are expected to only need emptying 2 to 3 times per year because of limited volume. This cost cannot be justified.

- The waste levy is increasing by 30% next financial year. This will increase Council's Waste Levy contribution by an estimated \$204,000 to \$890,000 annually.
- The Minister for Local Government's Service charge guidelines are forcing more waste services, such as the provision of street litter services, to be funded by Councils in a rate capped environment. This places additional financial pressure on the services provided and efficiencies need to be found, or service will have to be cut.
- State government has already announced other statewide waste schemes such as "Detox your home" (disposal of household chemicals) that our community rely on, will end. These costs will be shifted to Local Government as we try to find a solution and it is unlikely we will be able to achieve the same economies of scale.
- Conversely, in NSW the EPA fully fund the collection of many problematic materials including chemicals and paints which removes risks from the sector and encourages proper disposal methods.
- Waste and Resource Recovery Groups (WRRGs) were dissolved under the Circular Economy Act. The WRRGs provided significant additional support and expertise to Councils which many regional and metro Councils relied on. State government has not provided additional support since the WRRGs (and their funding) ceased putting additional pressure on Council during a period of significant change.