



Legislative Council Economy and Infrastructure Committee

Inquiry: Inquiry into Local Government funding and services

Hearing Date: 7 August 2024

Question[s] taken on notice

Directed to: Swan Hill Rural City Council

Received Date: 5 September 2024

1. **David DAVIS, Page 6**

Question asked:

There are a couple of areas that I am particularly interested in, and you may not be able to give me these details now, and in a sense I am saying please take these on notice.

(a) I am interested in the time series on library funding, because it seems to me from what you are saying and from what others have said that the share of library funding has fallen very significantly, and I would love a 10-year time series if that is possible.

(b) Likewise for maternal and child health – local government has got obligations under law for maternal and child health, and yet it seems to me that over time the share of funding has fallen. I would love to see, again, a time series over a decade to see what has happened since the time when the rate capping came in, but probably from 2014–15 if you can do that.

(c) The same with funding for roads – now, there are obviously council roads and VicRoads roads, but actual road grants I am interested to know. There was of course the old grants program, which I think was \$1 million a year for councils like yours, and I think that was significant. You may want to make a comment on that.

(d) The other area where I am interested in a time series if possible is the cultural and arts funding, because it seems to me, again, that councils are being asked to strongly pick up the slack, and you may want to comment on that.

(e) Finally, I want to, if I can, ask about some of the renewable or lower emission energy matters. Your council, it seems to me, might be being asked to pick up a lot of work on those, and I am interested in you perhaps detailing a bit of that, telling us what that is costing council and what your policy position is on these sites, often on significant agricultural land.

Stuart KING: Yes. Thank you. Thanks for the question. Obviously, the time series and funding we will take on notice; I am happy to report back to the committee

on those matters. I will just clarify one thing on the cultural and arts funding. In response to the previous question around that, the numbers I was talking about were capex numbers, obviously for project funding, not operational expenditure, so we are happy to take that on notice around the operational expenditure for cultural and –

David DAVIS: Just to clarify: you do get some operational money for the gallery. I think that is correct?

Stuart KING: That is my understanding. Yes. That is correct.

David DAVIS: Yes. It would be, again, interesting to see that time series, because as I understand in a number of areas of the state it has been essentially static – the receipts.

Stuart KING: Yes. And just to pick up on the question around road funding, we will put that data together for you so it is much more accurate. But there is a disparity in the increase in the road grants from the federal government. There is a disparity between what our council has received and what other councils have received. So whilst ours has gone up I think 46 per cent or thereabouts, there are many other councils that have gone up over 70 per cent. So I am not sure of the reasoning for that, but we will put that –

David DAVIS: But to note one thing here – we are a state government committee. We can make recommendations for the federal government, but they are less likely to be effective than recommendations to the state government. And in that sense, when it comes to road funding there used to be a regular \$1 million a year funding stream to your council I think from state government to help you with council roads.

Stuart KING: Thank you. We will take that on notice and come back to you with the data.

Response:

(a) Response (table attached – 1a)

(b) Response (table attached – 1b)

(c) Response (table attached – 1c)

(d) Response (table attached – 1d)

(e) Council supports the renewable energy and council’s policy position is defined as per council’s Environmental Management policy.

<https://www.swanhill.vic.gov.au/Our-Council/Plans-policies-strategies-and-corporate-documents/Environmental-Management-Policy>

2. **Gaelle BROAD, Page 8**

Question asked:

I am just interested – you talked about the number of irrigators in the region – what impact would water buybacks have on council revenue and the communities, especially given that with irrigation there is a different

rates system?

Stuart KING: ...From previous buybacks we have seen 50 per cent less water use in the Goulburn–Murray irrigation district, and water prices have risen by an average of \$72 per megalitre due to water recovery. So it has a direct impact on our municipality. Ultimately there will be a change to the rating structure of irrigated properties that are no longer irrigable, which will ultimately decrease our rate revenue as well. I am happy to take on notice to try and get you some more data around the impact that has been felt specifically in our municipality and any projections that we might be able to offer into the future.

Response:

The water buyback program is expected to lead to many farmers selling their water allocations, which could significantly affect the region's agricultural economy. This may result in a decline in the value of agricultural land, leading to a reduction in its capital improved value (CIV). Consequently, this decrease in land value could directly impact the council's rate revenue.

3. Richard WELCH, Page 9

Question asked:

I have got a couple of questions. Broadly your expenses crudely fall into capital costs and service provision costs. So I would be, firstly, curious to know what has been the impact on your ability to provide services, the range and depth of services to your community, and beyond that to ask a question on productivity as to what emphasis you would put on productivity gains within those services; what support, if any, you get to make productivity improvements; and any measurements you have around that. By productivity I am not talking simply cost-cutting, I am saying providing equivalent or materially better services at the same or less cost. So just around those two things, if you could give me comments on those.

Stuart KING: In terms of our service levels, the actual breakdown of costs – again, I have to take that on notice to accurately identify that.

Response:

There is both capital and service provision impacts. In 2022, we encountered a union application to the Fair Work Commission seeking to raise the minimum casual engagement time for School Crossing Supervisors from one hour for each engagement i.e. two hours per day to 2 hours each engagement 4 hours per day. A consortium of councils via our legal representation were able to retain a one hour per engagement keeping the staffing costs as they currently are and avoiding another 100% increase in our staffing costs.

In the case of our Library we have been automating what we can, i.e. book scanning, this is to bring in efficiency.

We maintain effective management and ongoing monitoring of service provision costs, which helps ensure the sustainability of our services. This is crucial, as reductions in funding or cost shifting can put our programs at risk.

4. **Richard WELCH, Page 9-10**

Question asked:

It does partially. The other question would be: with the range of services are you still providing Meals on Wheels? Have you had to withdraw or hand back some services, and if so, how difficult has that been to do?

The CHAIR: ...Mr Welch, we might need to do that one on notice, if that is okay.

Response:

Council is no longer providing Meals on Wheels services.