



# 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:** Mitchell Shire Council

**Received Date:** 25 September 2024

## 1. David DAVIS, Page 46

**Question asked:**

**Tim TAMLIN [Strathbogie Shire Council]:** I was just going to say, going back onto the roads and bridges and reflecting on what we did at the time, we prioritised routes to market. We did bridge strengthening works, which cut down the kilometre lead for our dairy manufacturers and also improved road assets where we had bad corrugations, because there is a fairly big group of snow pea market growers in the area and the snow peas were getting damaged in transport through vibrations in the vehicles –

**David DAVIS:** So there was an economic dividend from it.

**Tim TAMLIN:** There was a massive economic output. It was really beneficial, and we saw improvements in the economy because of those sorts of initiatives.

**David DAVIS:** Does Mitchell have the request for funding?

**Brett LUXFORD:** I do not have the detail on that, sorry.

**David DAVIS:** Maybe you could take that on notice.

**Response:**

Council is legally mandated to provide immunisation services under the Public Health and Wellbeing Act 2008, Part 3, Division 3, s.24. This legislation specifies that councils have the responsibility to protect, improve, and promote public health within their municipality, which includes coordinating and delivering immunisation services to children living or being educated in the area.

Councils have the flexibility to manage their own immunisation programs or contract services from other providers. This allows for diverse models of delivery, ensuring that communities receive the best possible care tailored to their needs.

The Council-run immunisation service provides a range of significant advantages that enhance community health and wellbeing. One of the primary benefits is accessibility. The service is scheduled to accommodate working families and those with young children, allowing them to receive immunisations in a non-medical environment. This setting reduces exposure to unwell individuals often found in GP waiting rooms, making it a safer choice for families. For those in culturally and linguistically diverse (CALD) communities or facing financial challenges, this service represents a valuable alternative to traditional GP visits, helping to alleviate associated costs. Additionally, the immunisation service creates opportunities for education, enabling families to check their vaccination statuses during visits.

Beyond scheduled immunisations, it also provides additional vaccinations, such as flu shots, and supports the vaccination of council staff, which promotes a healthier workplace.

The service is delivered by trained immunisation nurses who uphold high standards of care. All staff members engage in annual professional development and credentialing processes, ensuring they maintain the qualifications necessary to deliver safe and effective immunisation.

Additionally, the service has proven to be well-utilised and meets community expectations. From January to September 2024, council sessions recorded 1,023 participants, while school sessions attracted 1,963 participants. This increased access to immunisation not only facilitates family participation but also contributes to herd immunity, making it easier for families to maintain their vaccination statuses.

## 2. **David DAVIS, Page 47**

### **Question asked:**

**Brett LUXFORD:** I might come back to you on that. But I think we are looking at how best to deliver the immunisation service. Absolutely we are. Currently there are immunisation nurses that also do that work within our shire and so ensuring that they are reaching –

**David DAVIS:** But you will have to pay more to the department on this program.

**Brett LUXFORD:** Yes, so we will have to take that on notice and understand what the –

**Bev McARTHUR:** Currently ratepayers are picking up the bill for what you provide.

**David DAVIS:** No, there is state government support.

**Brett LUXFORD:** There is state support, yes.

**Bev McARTHUR:** It doesn't cost you anything at the moment?

**Brett LUXFORD:** I will have to take that on notice and let you know.

**Response:**

Administering immunisation through local councils is recognised as the most effective strategy, fully aligned with our legislative obligations. Over the past five years, the average cost to ratepayers for delivering the immunisation service locally has been approximately \$75,000. Currently, the costs associated with immunisation are effectively managed within the existing service framework, helping to maintain affordability for the community.

The recent introduction of a co-payment for use of the CIRV system was implemented without appropriate consultation with Mitchell Shire Council. Our Council has a long history of partnership with the State Government across a range of key service areas, including immunisation and maternal and child health. It was disappointing that this co-payment was introduced in the manner that it was. This co-payment, which is counter to the earlier indication of Government that the CIRV system would remain free of charge, will result in an increased cost for delivery of the immunisation service imposed upon the rate payers of Mitchell Shire.

**3. Bev McARTHUR, Page 52**

**Question asked:**

**Bev McARTHUR:** Chair, can I just ask one question. Could the presenters possibly provide us with the cost entailed in applying for grants?

**The CHAIR:** You are more than welcome to take that on notice. In fact I will need you to because I need to go to Ms Broad.

**Bev McARTHUR:** Yes, I only want it on notice.

**Response:**

Grants are an essential form of funding for councils right across Victoria. Mitchell Shire Council is particularly reliant upon grants as it embarks on the State's most ambitious period of sustained residential growth. Our Council is planning for and delivering the infrastructure required of a population of 300,000 on a rate base of only 60,000. It will be impossible to achieve this without appropriate support from the State Government through a range of means including grant funding.

Despite the essential nature of grant funding, applying for grants has never been more onerous or costly, raising the spectre that applying for a grant may, once the risk of failing to obtain the grant is considered, no longer be a viable option for councils who lack the resources to take the increasing financial risk.

The increasing cost of grants is largely the result of changes in the following areas:

1. Grant guidelines are increasingly requiring business cases or cost-benefit analysis – these cost in the region of \$30,000 - \$50,000 for a cost benefit analysis to \$100,000+ for a business case.
2. Most grants require projects to be ‘shovel ready’ – this often requires detailed design, planning permits, and a range of other steps to be completed; for most moderate infrastructure projects this requires an upfront investment in the range of \$500,000+, and can often be substantially higher.
3. The vast majority of grants require co-contributions – many grants required 1:1 contributions, which severely disadvantages emerging growth area councils who lack the financial resources to be able to make these contributions.
4. Grant applications are often lengthy and human resource intensive – grant applications can often take entire teams offline for weeks at a time. This is exacerbated by the often extremely short turnaround from notification of a grant opportunity through to the close of applications. This impacts smaller and emerging councils far more than larger and more established organisations.
5. Cultural Heritage Management Plans impose a significant cost – the costs associated with developing these plans can be in the range of \$500,000+ for a moderate sized project. The development of these plans can also take a significant period of time, potentially hampering the ability to prove a project’s shovel readiness, or imperil its ability to be delivered within a grant’s timeframe.
6. Grants not available for pre-planning – there are limited to no grants available for preplanning work (including the delivery of concept or detailed design, business cases, CHMP development, or other key work). The lack of funding for this stage can often mean that councils lack shovel ready projects, or else struggle to fully de-risk a project before applying for a grant.
7. Policy being implemented through grant requirements – the implementation of State Government policies including Environmentally Sustainable Design outcomes often mean increased delivery and lifecycle costs. Despite this, the grant funding amounts, co-contributions, or ongoing grant opportunities are very rarely reviewed to cover these increases. This is particularly the case for emerging growth areas where infrastructure delivered through grant programs may be the first time these policies have been enacted within the municipality.

8. Tight grant completion or delivery timeframes – tight delivery timeframes for grant funded projects inevitably leads to higher project fees and contingencies as construction costings need to cover normally unnecessary items such as inclement weather. Tighter timeframes also result in councils needing to contract out normally internalised processes often as a result of requiring multiple project elements to be completed concurrently. Fast tracking delivery costs money.
9. Grants are unnecessarily competitive in nature – exacerbating all of the issues above, grants are becoming substantially more competitive. Whilst the theory behind this may be that only the most worthy projects are successful, the practical outcome is that larger and more established councils, or projects which have had more time and money invested, can effectively ‘out gun’ what otherwise may be a worthier project.

The cumulative impact of these nine key challenges is significant. Mitchell Shire Council is at a point where we rely upon grants, however it is clear that grants are not being designed for the benefit of our community.