

TRANSCRIPT

LEGISLATIVE COUNCIL ECONOMY AND INFRASTRUCTURE COMMITTEE

Inquiry into Local Government Funding and Services

Melbourne – Tuesday 8 October 2024

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WITNESS

Celia Haddock, Chief Executive Officer, Maribyrnong City Council, M9.

The CHAIR: I declare open the Legislative Council Economy and Infrastructure Committee's public hearing for the Inquiry into Local Government Funding and Services. Please ensure that mobile phones have been switched to silent and that background noise is minimised.

I would like to begin this hearing by respectfully acknowledging the Aboriginal peoples, the traditional custodians of the land we are gathered on today, and pay my respects to their ancestors, elders and families. I particularly welcome any elders or community members who are here today to impart their knowledge of this issue to the committee or who are watching the broadcast of these proceedings. I also welcome any other members of the public watching via the live broadcast.

Before we kick off, I will get committee members to introduce themselves to you, starting with Mrs Broad.

Gaelle BROAD: Hi. I am Gaelle Broad, Member for Northern Victoria.

Bev McARTHUR: Bev McArthur, Western Victoria.

The CHAIR: Georgie Purcell, Member for Northern Victoria.

Michael GALEA: Michael Galea, Member for South-Eastern Metropolitan.

Sarah MANSFIELD: Sarah Mansfield, Member for Western Victoria.

The CHAIR: Thanks very much for appearing before us today. All evidence taken is protected by parliamentary privilege as provided by the *Constitution Act 1975* and further subject to the provisions of the Legislative Council standing orders, therefore the information you provide during this hearing is protected by law. You are protected against any action for what you say during this hearing, but if you go elsewhere and repeat the same things, those comments may not be protected by this privilege. Any deliberately false evidence or misleading of the committee may be considered a contempt of Parliament.

All evidence is being recorded, and you will be provided with a proof version of the transcript following this hearing. Transcripts will ultimately be made public and posted on the committee's website.

For the Hansard record, can you please state your full name and the organisation you are appearing on behalf of.

Celia HADDOCK: Good afternoon. My name is Celia Haddock, and I am representing M9, the nine inner-city Melbourne councils.

The CHAIR: Wonderful. Thank you. We now welcome your opening comments but ask that they are kept to around 10 minutes to ensure plenty of time for discussion and questions.

Celia HADDOCK: Thank you, Chair. I would also like to acknowledge the traditional lands that we are on and pay my respects to the elders and all Aboriginal and Torres Strait Islander peoples past and present and anyone here today.

I am Celia Haddock. I am representing M9. I am also the Chief Executive Officer of Maribyrnong City Council. We have, as I said, nine councils as part of the inner-metropolitan group. Just to tell you who they are: Darebin, Hobsons Bay, Maribyrnong, Melbourne, Merri-bek, Moonee Valley, Port Phillip, Stonnington and Yarra. M9 represents one in five Victorians and accounts for more than 30 per cent of the gross state product. To provide you with an idea of the scale of our operations, our nine councils manage over \$15 billion worth of essential municipal and community assets, and we represent approximately 1.9 million people. The councils we represent are extremely diverse, and we work collaboratively together on a range of issues and projects that carry mutual interest across our municipalities. Whether that is operational projects or advocacy, we work together on a range of things.

As demonstrated in our submission, the four key concerns we have relate to, firstly, the need for local government as a sector to be a trusted partner for the Victorian government and to have a seat at the table. We have not had a seat at the table for some time, so it is great to be here today. This is particularly important when considering critical issues that affect local communities – issues such as housing, transport connectivity, waste management and sustainability.

Secondly, our submission speaks to the current financial pressures on the sector in Victoria due to rising costs and the fact we are operating in a rate-capped environment. Without long-term financial sustainability, we will not be able to provide the facilities, services and essential infrastructure our communities require. We are asking the government to use a local government cost index that accounts for changes in wages, construction and other operating costs as the base cost index when setting the annual rate cap.

Thirdly, our concern in our submission specifically addresses the impacts of cost shifting on the sector, and we have provided examples of recent legislative and policy changes that have had a significant impact on councils. These include, but are not limited only to, maternal and child health services, libraries and swimming pool regulations. I will just point to the libraries. Once upon a time their cost share between state and local government was 50–50. We are now down to about 15 per cent. Basically the council rates pay for libraries, which may be a good thing, but it is something that we would like to have more of a partnership funding arrangement with the state government on.

The final concern relates to the pressure our councils are facing in maintaining and upgrading existing infrastructure and delivering new community assets. This is particularly prominent in the inner metropolitan region due to significant population growth and the amount of existing ageing community infrastructure in our area. This includes above ground and below ground – in my own municipality today I have found an issue with a drain that is 120 years old – and there is quite a lot involved in improving our infrastructure.

According to the Victorian government's draft housing targets, the M9 region will double in size by 2050, taking on a quarter of the state's target growth. For our councils to provide the necessary community and local infrastructure that will be required to accommodate such significant growth in a relatively short time, we need more financial flexibility and autonomy. I might point out that just, for example, in my own municipality of Maribyrnong we had predicted – and my council over several councils has supported growth – that we would move from 96,000 people to 150,000 by 2050. Our target is now 200,000. So there will be a lot of people coming into our municipality, providing we can meet the targets, and with the rate cap it is very difficult for councils. As you know, we can only collect the amount that the cap allows for, so to allow for the infrastructure for our own services, let alone your services like schools et cetera, will be somewhat difficult for all councils I think across Victoria but particularly the M9 councils in our area.

The importance of strong sustainable councils to deliver community services was particularly evident during the COVID-19 pandemic and continues through our response to the current cost-of-living crisis. We stand ready to partner with the Victorian government to build trust that at all levels of government we are working together to deliver for our communities. I am happy to take any questions.

The CHAIR: Wonderful. Thank you very much. We will go to Mr Galea first.

Michael GALEA: Thank you, Chair. Thank you very much for joining us today, Ms Haddock. I would just like to start with the issue that you have raised around CPI and that you would prefer a model based on the local government cost index. Would it be fair to say that such a move would overall increase the rate burden ratepayers?

Celia HADDOCK: Interesting question. It would probably raise the cap from what it is now. But as you know, rates are spread, under the legislation, across all properties, so every year some people's rates increase and some people's rates decrease.

Bev McARTHUR: Really?

Celia HADDOCK: Yes, that is right. Last year 50 per cent of our population's rates went down – I do not know for every municipality, but across M9. With the cap we can only collect so much, so you spread the amount out among all of your ratepayers. It is also obviously based on the land value, the capital improved value, so some rates shoot up more than the rate cap. Say it is 2.5, some people get a 3 or 4 or even 5 per cent

increase, and other people will get well under 2.5. If you would like some evidence on that, we are certainly happy to provide it. It just depends how. Yes, there is a burden on ratepayers, and most councils or all councils, certainly in M9, are trying to spread those costs across and not put that burden too hard on people.

Michael GALEA: Thank you. It was really good to hear your commentary around housing and growth, especially acknowledging the need for all parts of Victoria to accommodate that. I represent a very outer suburban region that has taken by some measure the largest bulk of new housing, together with the outer north and outer west as well, in the state and the various infrastructure and service delivery challenges that have gone with that, trying to keep up with that huge amount of growth. Having that more balanced across the entire city and the central city taking a big part of that, given the infrastructure that is there – is that a generally supported view amongst all nine member councils, would you say? I note there is at least one inner-city council that is not a member that has been quite outspoken, but would it be fair to say that all of the M9 councils are broadly in favour of improved increased density and taking it on?

Celia HADDOCK: Yes, I think that would be fair to say. We are aware of the housing crisis, but we would have liked to have been consulted. We were given our targets. There was no consultation with us at all, and we may have spread it out over a different time span. We have open space issues, as you would know. Even things like dog parks, we do not have enough of now. People will require more community services as well. We still do not have the actual formula that was used to give us our target. This is what I mean about being around the table. Local government has not been around the table on any of these decisions.

Michael GALEA: We heard in particular from Cardinia Shire Council last week about their DCPs and ICPs and the role that GAIC plays. Obviously GAIC does not apply to inner-city councils. But I am curious to know from that central city perspective the relationship with large developers in particular, what sorts of contributions they make in terms of your broader service delivery and infrastructure delivery and whether you see a need for any changes to be made in how councils are allowed to have those arrangements, whether they are DCPs or similar, in order to best deliver those associated infrastructure and service upgrades for your communities.

Celia HADDOCK: We have argued in our submission that we would actually like the growth areas contributions levy as well, or access to it, because even though we are established – most of us were the initial cities within Melbourne – our infrastructure is well over 150 years old. If we are going to be the areas that have a lot of the growth, certainly in the top 10, there needs to be some capacity for us to apply to state government and federal government for funds to assist us with that.

We do have DCPs, and to have the DCP approved it has to go, as you know, through the planning scheme amendment process. It takes some time, so you do not get the DCP at the time. I will use the example of Josephs Road. In an unfortunate way that development came up several years ago now, several governments ago, but what we are left with today is \$40 million worth of roads, footpaths, drainage, infrastructure, parks et cetera, of which the DCP will cover about \$10 million. The council have needed to spread that out over several years, and people have moved into those developments and have been very unhappy that they do not have a footpath. We are now getting through that, but it took us I think three years to get the DCP up for that. That is not the type of development we want to see in any of the M9 councils or in fact any council. DCPs are good. We would like a bit more flexibility in them, and we would also like access the growth area funding, because we are growing at, if not the same, almost a greater amount.

Michael GALEA: So just to clarify, you think that large-scale developments within M9 councils or indeed across Victoria should be subject to the GAIC surcharge? Is that M9's proposal?

Celia HADDOCK: Yes.

Michael GALEA: And with the DCPs' inflexibility, we heard some suggestions from some of the outer suburban councils two weeks ago, but I would be curious to know what sort of flexibility would help. I mean, for example, we heard from another council that there are different parts of a development plan so that by the time the final part has been received, it might be, as you say, five or 10 years down the track, costs have increased and what would have been covered by the amount is no longer enough and you need to find other sources of income, whether that is from state or federal grants or ratepayers' revenue. Is that the sort of flexibility that you are talking about to be able to do different projects more adaptively, or is it about being able to borrow against that money?

Celia HADDOCK: We would possibly borrow against that money, and most of us have borrowed money responsibly. But it is really about being able to access that money sooner, because the longer we leave it – and we know that all of our councils have experienced a 30 per cent increase in the cost of infrastructure. Sometimes that can come in one year, which makes it difficult when you have got a budget and you want to deliver things for the community. So we do need some flexibility, and the formula I think needs to be reviewed and looked at how the funds are paid out. And obviously the developer has to fund the development itself and then the DCP comes after that, but we would like to see a more flexible system.

Michael GALEA: Thank you.

The CHAIR: Thanks, Mr Galea. Ms Broad.

Gaëlle BROAD: Thank you very much. We really appreciate your contribution on behalf of the M9. I am just wondering, you talk in your submission a bit about the roles of council. I get the impression that you are not wanting to restrict to a core group of services, because we have had some discussion about the need for state government to perhaps give greater certainty to what are core services of councils. Can you talk to that? What do you think?

Celia HADDOCK: You have raised an important issue, because core services, I do not think any of the M9 councils would think they are roads, rates and rubbish. Obviously we are responsible for roads. There are state government roads amongst our roads. We do collect rates obviously, and waste is very important, but we also run libraries. We either run aged care facilities or run services for older people. Most of us in the M9 have multicultural communities and we run support services for them, and new migrants, and we generally have quite a diversity in income levels of our population. We have the gentrified areas and we have other people who are perhaps more struggling with income levels or are on pensions and benefits. So our services have to be accessible to the range of them. There is nothing that says exactly in the *Local Government Act* what local government must provide, so it needs to be agreed upon by the council, the community and the state government.

Gaëlle BROAD: Do you think it would be helpful to provide a guideline and then perhaps have room for some flexibility, but to sort of have a core guideline?

Celia HADDOCK: I think it would be good if the state government talked to us about what the core guidelines should be, if that is the way it is going to go, and we would be happy to look at it. We can never provide everything for everyone; we know that. Most councils provide services that the private sector cannot provide or where there is market failure. In the M9 area most councils provide – I think all councils provide – sports and aquatics centres. It is very important in the warmer months for people to be able to cool down at a public pool. They are very expensive. Private developers do put in pools for people living in their tower blocks or facilities, but not for the public. Council is left with services often that it needs to provide because residents require them. We can never meet all the needs, but we play a role there in supporting our community. We acknowledge we only have a certain amount of funds, and obviously you have to manage around that, but I do not know that it would be a good idea – if the state government were to tell us what we must provide, then we would be wanting to have guaranteed funds to assist us to provide it. The cost sharing is just not working.

Gaëlle BROAD: Yes. Just on that cost shifting, your submission outlines a number of areas where it has been pushed onto local councils. We heard Local Government Victoria earlier talk about the libraries. We asked about the 50–50, and they said it was a 50–50 funding split for about 10 minutes. Would you support an audit of where the costs have changed or what services are being delivered by local councils now?

Celia HADDOCK: Yes, absolutely. I believe the Municipal Association of Victoria is doing some work at the moment on that, but an audit would I think give a very interesting outcome. And the libraries – yes, they were 50–50 probably for a bit longer than 10 minutes.

Bev McARTHUR: What was it? How long? Was that wrong?

Celia HADDOCK: No, it was 50–50.

Bev McARTHUR: No, but was 10 minutes wrong?

Celia HADDOCK: Well, it was over 20 years ago. I have been in the sector just over 20 years, and I have watched that amount drop, drop, drop. It has never increased. The government did introduce the Living Libraries funding, which is to assist councils to build libraries. Generally the most you can get out of that is \$2.5 million. Libraries are costing usually \$30 million, \$40 million, \$50 million to build, so it still does not help us with the running of libraries. And libraries are more used now – you will have the stats on that in the LGPRF – than they ever have been because they provide a community service, programs et cetera. They still provide book borrowing, but they provide a lot more than that now.

Gaelle BROAD: I am just interested. You talked about the lack of consultation and that you have not been sitting at the table. Is that a culture that you think is being developed? You mentioned the housing targets. Has it been in other areas as well? We have heard from a number of councils talking about changes coming in, such as the swimming pool regulations, but there is not a lot of consultation in that process. Can you talk to that? You talked about the need for flexibility and greater autonomy. What changes would you like to see?

Celia HADDOCK: Consultation is very important even for us to plan. For example, when the clearways were taken off local councils, my council lost \$900,000. I think Stonnington lost a million. That is income that has gone. I think we had two weeks notice on that, so we lost the income from that. With the new planning requirements and the ability for developers or even smaller builders to go to the state government to approve their planning permit, there is a loss of income there. We have worked out a minimum for the M9 councils of 30 per cent across a year, but it could be greater than that. That is loss of income; however, it is not loss of work, because we are still asked to review the permit, to provide a submission and to advise the government on what we think of a certain permit. On that one, we have 60 days to approve a permit. Where it takes longer is usually where a VCAT process has been invoked, but the council itself has 60 days. The state government has 120 days. It is not necessarily a quicker process.

Gaelle BROAD: Okay. Have you had to cut any services because of financial constraints?

Celia HADDOCK: We have not cut services to our residents, but we have cut our operating costs right down to the line, basically. We are moving into the ninth year of the rate cap, and in terms of new staff, people say, 'Oh, you must have more staff, because your population's grown.' No, that is not the case. We are reviewing services all the time. I do not say we are doing more with less. We are doing better with the money that we have got, and that is what we should be doing.

We have not cut services, but we have looked at smarter ways of resourcing. So for example, customer service: we have now an AI tool called Mari-bot. Other services are looking at tools that we can use so that we need less staff. Local government – a lot of our services are hands-on, people. What we did do in Maribyrnong, for example – and other councils are slowly doing this – was with the aged services area, with home care, there were 28 providers in our city that people could choose from as well as the council, so we moved out of that service, which meant that we did not need to raise funds to provide that service any longer. That has been a successful transition.

There are other services that we are looking at. We are obviously getting smarter technology to reduce the requirements on staff, but for example, we still need swim instructors and lifeguards at the same numbers that we have. Some of our areas are regulated in terms of what we have to provide, and for those councils that run child care and kindergartens, they also need, obviously, to meet regulations around staff numbers.

I might just mention the kindergartens, if I may, because obviously there has been new legislation now that allows for three- and four-year-olds, which is fantastic. Local government generally owns the properties. My own council does not run the services – either contract managers run the service or parent committee groups – but you know, we then have to expand the services to allow for the program. So again, it would be good to talk to us about it before they do it, and you might spread it out a bit differently.

Gaelle BROAD: We often hear the government spruiking free kinder services, but are you feeling that the extension of buildings and the requirements around the delivery of that costs ratepayers in the end?

Celia HADDOCK: It does cost ratepayers. There is funding available, but it never covers the full cost of everything. We are expanding a lot of our standalone kindergartens, and it just depends each year how much is available. So we have not got all the infrastructure expanded, and then the announcement might come that now three-year-olds will get so many hours per week, which we do not have the infrastructure for. I know some

councils have moved to Saturday sessions, which may suit their community, and we can be smarter about how we use our infrastructure. But again, it is just bringing us around the table – not to hold up the process, but if we are the ones running the services, it is worth having a conversation with us about how that rolls out.

Gaelle BROAD: Can I just ask one more question?

The CHAIR: Yes, of course. One more.

Gaelle BROAD: You mentioned the use of AI technology. Have you had any guidance from the Minister for Local Government at all on the adoption of AI?

Celia HADDOCK: No. I have not. We have not. We are developing our own guidelines around that. Most councils are now attending conferences and looking at, as a tool, how we can use it. Obviously you need checks and balances, and you really need to be careful not to let your council business be in a position that it would go onto AI, because then you have no control over it. We are only using it for information, where if people ring in, they get the option to put their question to the bot, and then many questions can be answered through that. But we have fed in the answers, obviously, of the possible questions. So I think councils are slowly introducing it, in a controlled way.

Gaelle BROAD: Do you think there is any duplication between councils?

Celia HADDOCK: Guidelines would be fantastic.

Gaelle BROAD: Okay. Thank you.

The CHAIR: Thanks, Ms Broad. Dr Mansfield.

Sarah MANSFIELD: Thank you. Thank you for appearing today. Further to a question by Ms Broad about having a seat at the table, I am interested in, at a practical level, what this might look like. If you did have a seat at the table, what does that look like in practice, say, around planning or waste, for example?

Celia HADDOCK: For example, planning: we have representative groups; we have the Municipal Association of Victoria. There is the Victorian Local Governance Association, there is Local Government Professionals and there is the Victorian women's local government association all working hard for local government. Most of us belong to at least one of those groups if not more. As a starting point, invite the representative bodies onto some form of advisory committee or panel to provide advice to the department and the minister. Do not just tell us what our targets are for housing, invite us on. Again, I would stress that we do not want to hold up the process, but we are being asked to make sure that those homes are delivered. Let us have a talk about it. I mean, there is a 127-hectare piece of land in Maribyrnong which is called the Maribyrnong defence site. That is empty. That has been empty for many years. It is contaminated and it is owned by the federal government. That could provide housing, but nobody is willing to clean that up. So there is land around. With that one in particular, nothing has happened there for some time.

Sarah MANSFIELD: In your presentation and in your submission you referred to asset renewal being a major challenge, and that is something we have heard from almost every council that has appeared. You referenced stormwater infrastructure in particular being a challenge in those inner metro councils. What would you like to see from the state government to help support councils to deal with that issue around asset renewal, particularly big expensive asset renewal like stormwater infrastructure?

Celia HADDOCK: Well, a cost sharing arrangement would be ideal. It costs money to even do the evaluation. We have a camera program that we do not do every year, but it is part of our asset renewal to try and work out how much it will cost us to repair or replace drains. We do an asset condition report on our buildings and then we have to rate them and prioritise them in terms of pavilions that we can upgrade or not, community centres, libraries et cetera. It is a balancing act for every local government. But as the population grows and they demand more, it is not just a matter of building a new library, so a cost sharing arrangement for asset renewal is really important. With our capital budgets, usually a half to two-thirds is asset renewal and then the last third or in some cases it might be up to half is new, so we can apply for funds with the new. We do not always get them and not all facilities qualify for funding. But for the renewal there is not a funding source.

There is the Roads to Recovery through the grants commission, which is very small. I am sure your rural councils will tell you about that as well.

Sarah MANSFIELD: With something like stormwater we have heard about the challenges that climate change is posing for councils and for that sort of infrastructure as well going forward. At the moment trying to meet just basic maintenance and renewal is a challenge financially, but to include some sort of betterment – some councils have also said that is just not something that is funded or supported from many parts of infrastructure. Is that something?

Celia HADDOCK: That is correct. I know a bit about floods because we were flooded in 2022, like I think 39 other councils. The betterment funding in Victoria is about a tenth of what it is in other states, so it is very low. I know each government has to weigh up what its priorities are and where the funds go, but without the betterment funding it is hard to catch up for individuals as well as councils. In the Maribyrnong township over 500 houses were flooded above floor level in October 2022, and still half of those houses people have not been able to move back into. There are ongoing issues with insurance companies, and I know the federal government is looking at that as well. But the betterment funding – and I can supply that to you, I just have not got it with me – is very, very low in Victoria compared to Queensland and New South Wales, and we would like to see an improvement in that.

Sarah MANSFIELD: Thank you. I guess if we do not address the issues around the asset renewal gap and betterment and if things just continue the way they are, what are going to be the impacts in those inner metro council areas, do you think, over time? If there is nothing done to change the structures around financing for councils, what do you foresee some of the impacts being?

Celia HADDOCK: Number one, there will be no new facilities, I would think. All the capital funds will have to go into renewal and things will break down. In my city we have 22,000 trucks a day going through that city, because we are right next to the Port of Melbourne and we are on the M1 out of Melbourne. You will see in the LGPRF data that our cost per square metre on roads is a lot higher than most other councils in the metro area because we are constantly repairing. Obviously when the West Gate Tunnel goes in we hope that there will be a marked change in that, and we are very much looking forward to that opening. But it is not just the age of the facilities, it is the wear and tear. So as the population grows there are more people using facilities. Whether it is a playground or whether it is stormwater from homes, whatever it is, the volume is going to be a lot greater, which wears things down. So with the population growth and the wear and tear the renewal is required earlier than it might have been before.

Sarah MANSFIELD: We heard earlier today from Local Government Victoria. When we asked about the challenges councils are facing with asset renewal, the balance between new infrastructure and asset renewal, I think they reflected back that every council is an individual entity.

Celia HADDOCK: Seventy-nine.

Sarah MANSFIELD: Yes, 79 councils, and that it is really up to them to make priorities and it is up to the elected representatives to choose what they invest in, which I guess is probably true at some level. But what is your reflection on that, particularly around this issue of asset renewal?

Celia HADDOCK: Well, of course the council has a constrained budget, and they decide what they will spend that on. I suppose you could say that is a choice, and like any business we will never have enough money to do everything. But the pressure on councils now for infrastructure, for renewal and for new, alongside the increased costs that have come since COVID – for example, concrete and sand. After the floods the price of sand went up because 39 councils were using it for sandbagging, and the price of concrete went up 40 per cent that year. There is a market out there which we cannot control, and we are not asking the government to control it. But there needs to be some recognition of increased costs. Our roads need repairing; they also need replacing, and we are also looking at using more environmentally sound products on our roads. They are not necessarily cheaper, so if you have got a policy around being more environmentally aware and then the products that you have got to choose from, when it comes to price often councils will leave something longer or just go for the more affordable option because we have to replace something.

So it is a difficult one for councils and our residents. Even things like graffiti on infrastructure, most of the inner metro councils in the M9 would be spending between a minimum of \$500,000 and probably \$1.5 million a year

on just cleaning up graffiti. We have all got public art and programs trying to reduce the cost on that. The community do not want to see offensive graffiti. I think my community quite like public art, but they do not like offensive graffiti. All of those things are growing each year in cost. I know it is not infrastructure directly, but it impacts on the infrastructure. Sometimes we end up having to clean graffiti off state government infrastructure because, whether it is VicTrack or other organisations, they will not do it, and people keep complaining –

Bev McARTHUR: Send them a bill.

Celia HADDOCK: We have done that.

Bev McARTHUR: And what happens?

Celia HADDOCK: They do not pay. But we have done that in the past, yes; we have sent them a bill.

Bev McARTHUR: That is shocking. What a disgrace.

Celia HADDOCK: I think the thing with local government is you can ring us up, you get a person – we are not replacing our person with the AI, but some answers to simple questions we are. You get a person, you can send in an email to a customer request system, you will get a response – or you can send an email to a councillor, who will generally send it to me, and you will get a response. We are the level of government I think that people can approach. Some utility companies, if you try to call them up, you will not be able to get the phone answered. Local government are there for our residents. We do care about them and we are the closest level to them, but that also means sometimes they get more frustrated with us because we cannot do things fast enough. Sometimes it is other levels of government, but we take the brunt of what has happened, whether it is strips in the middle of roads that have not been mowed by VicRoads, because they have got a new regime now that only mows those every six months or every four months. We have not started mowing theirs yet, unless it is a danger. But all those things end up with local government because we are the people you can contact.

Sarah MANSFIELD: Thank you.

The CHAIR: Thanks, Dr Mansfield. Mrs McArthur.

Bev McARTHUR: Thank you very much. Just a couple of things you might want to take on notice. Can you provide us with examples of rate reductions across your M9 councils?

Celia HADDOCK: I am very happy to do that.

Bev McARTHUR: Good. Thank you very much. And could you – you may want to take this on notice too – give us the average salaries of the CEOs of the M9 councils, citing the highest and the lowest?

Celia HADDOCK: Sure. That is all public information. It is all published, so I can provide that for you.

Bev McARTHUR: Yes. Well, anyway, if you would like to provide it, that would be great. Thank you so much. Coming to public art and the cost restraints you have told us you are all suffering, Melbourne City Council seem to have \$25 million for a kangaroo statue. Is that good use of ratepayers money?

Celia HADDOCK: I think I would have to pass that one on to Melbourne City Council to answer.

Bev McARTHUR: They are in the M9, aren't they? What would your view be on that sort of level of use of ratepayers money?

Celia HADDOCK: Well, it is not something that we have discussed as an M9.

Bev McARTHUR: It is hard to complain about cost shifting and shortage of money if they embark on those sorts of frolics, isn't it?

Celia HADDOCK: I would have to put that one back on the council, I am sorry.

Bev McARTHUR: Okay. Over your nine councils, how many have declared a climate emergency?

Celia HADDOCK: Some have acknowledged a climate emergency – my council has acknowledged a climate emergency – and some have declared a climate emergency. I believe Darebin and Yarra have declared a climate emergency. I would need to come back to you on the acknowledgement versus the declaration.

Bev McARTHUR: Great. That is fine. You might also, while you are doing that, check on how many have done away with Australia Day, while you are on reporting back. That would be good.

Celia HADDOCK: Would you like to know what we do on that day rather than – I mean, you cannot get rid of Australia Day.

Bev McARTHUR: Yes. Well, do you celebrate Australia Day? Do you still provide citizenship ceremonies? Do we, you know, practise Australia Day in your M9 councils?

Celia HADDOCK: I will come back to you on that.

Bev McARTHUR: Great. I know also that in the Melbourne City Council, in terms of spending money, they established heat monitors. Is that something that is a good use of ratepayers money?

Celia HADDOCK: I think it is very useful.

Bev McARTHUR: Do you have them in Maribyrnong?

Celia HADDOCK: No. We do not. I do not have the funds for them. But what we do do – we actually lose more people to heat than to the cold, so we open up our libraries, and we have a vulnerable list and we keep an eye on people that we know have no cooling. But managing heat as an emergency management requirement, with the changes to the temperature and climate change, is something we all need to be aware of.

Bev McARTHUR: Could you come back to us with how that has played out with Melbourne City Council?

Celia HADDOCK: I can certainly ask Melbourne City Council.

Bev McARTHUR: Thank you. Also, with regard to the swimming pool regulations that are imposed by state government, shouldn't they be regulating swimming pools? Why should ratepayers pick up the bill for this?

Celia HADDOCK: I think I could not agree with you more.

Bev McARTHUR: Excellent. Well, that is terrific. You all say you need to provide this because your citizens want something. Can we always go down the path of everybody wanting something without being prepared to pay for it?

Celia HADDOCK: We never give our citizens everything they want. That would be impossible. For example, if you have a large cohort of people with disabilities, you might need to spend more on access and all-abilities requirements beyond what we have to by law. In a particular area you might make footpaths et cetera more accessible, just depending on the area. You might have a lot of newly arrived migrants. At the moment there are a lot of people in the inner city, residents, who are availing themselves of Foodbank in many of the M9 councils. Some councils contribute to that and others do not. That is a growing cost-of-living issue that has come up across the M9 area.

Bev McARTHUR: Should councils – and I do not know how many of your M9 are – get involved in foreign affairs?

The CHAIR: Mrs McArthur, I know it is –

Celia HADDOCK: Interesting question. Usually those issues are ones that come to council through a councillor notice of motion rather than an officer report. My job as the CEO is to make sure meetings occur, and if notices of motion are put up, then the councillors themselves vote on them. If the matter to do with foreign affairs is endorsed by the council, then I need to make sure that that is carried out. It has generally not been the remit of local government to be involved in foreign affairs, but some people would disagree with me.

Bev McARTHUR: Do you think the whole issue of the differentials of rates within councils and between councils, and particularly the differential in your M9 councils compared to rural councils, is a fair way of collecting revenue?

Celia HADDOCK: Well, differential rates allow you to charge more or less for particular circumstances. For example, with vacant properties, some of us charge – my council does – a higher rate if the property is not developed. If it has got a dwelling on it, even if it is empty, they get the normal rate. But if it is an empty site, we do have a differential on that, and other councils do as well. That is just one example. And yes, I do think it is fair, because what happens to large development sites that are sitting there with nothing on them is often criminal activities occur behind the fences. There are fires. Homeless people sometimes end up living in derelict buildings and sometimes there are accidents. We see it as a way to encourage developers to build.

Bev McARTHUR: I am more thinking of, for instance, if we take the City of Stonnington, just rough figures, a million-dollar property might accrue \$600 in rates, whereas a million-dollar property in Buloke will accrue \$6000 in rates. The differential is very unfair depending on that geography, so inner-city ratepayers are greatly advantaged compared to rural ratepayers, for example. Is that a fair way of collecting revenue, do you think? Should ratepayers across Victoria be paying the same rate in the dollar?

Celia HADDOCK: I would have to say to you that it is not that simple, with respect. It depends what system the council uses, whether it is a net annual value or a capital improved value, and it all comes down to the value of the land.

Bev McARTHUR: No, it does not. It comes down to what rate you set within a council.

Celia HADDOCK: Well, yes, obviously the rate in the dollar is set. There is a formula we use for that. I cannot comment, I am sorry, on whether it is fair or not.

The CHAIR: Last question, Mrs McArthur.

Bev McARTHUR: Okay. Do you think local government should have an extra column in their Excel spreadsheet which is ‘Outcomes’ so that all these hundreds of programs that you tell us are essential that you are all delivering have a measure of what the outcome is for the ratepayer dollar that has gone into it?

Celia HADDOCK: We certainly do have that. You see reports on our council plan. Certainly my council and most councils report quarterly on their council plan actions and their outcomes. We have a whole range of policies that we report regularly to council on. The outcomes should be there on councils’ websites.

Bev McARTHUR: Okay.

The CHAIR: Thanks, Mrs McArthur. That is all we have time for today, so thank you very much for making the time to appear and answer our questions. You might get some more questions on notice from members.

Celia HADDOCK: Thank you. Hopefully I have written down all the follow-up, but I am sure –

The CHAIR: Committee staff will be in touch with you.

Celia HADDOCK: Okay.

The CHAIR: That concludes the public hearing and the parliamentary inquiry.

Committee adjourned.