



Legislative Council Economy and Infrastructure Committee

Inquiry: Inquiry into Local Government funding and services

Hearing Date: 25 September 2024

Question[s] taken on notice

Directed to: Knox City Council

Received Date: 18 October 2024

1. The DEPUTY CHAIR (David DAVIS), Page 40

Question asked:

The DEPUTY CHAIR (David DAVIS): Thank you for your submissions there. I have got a couple of questions, some that you might want to take on notice. One regards energy costs that council itself incurs. I am interested in a bit of a time series on that to understand some of your costs in that regard. If you wanted to give us greater detail, for example, on WorkCover premiums, I would certainly welcome that, over a time series as well to get an idea of where those costs are going, because some of those costs, it seems to me, are going up considerably more than the CPI.

Navec LORKIN: Yes, we are happy to provide you with those on notice. I will note just with our energy costs you may not see them materially increasing over the last few years as we have moved to a number of LED streetlights. We have had some efficiencies even with rising energy costs.

Response:

| | 2019/20 Annual Actual | 2020/21 Annual Budget | 2021/22 Annual Actual | 2022/23 Annual Actual | 2023/24 Annual Actual |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Street Lighting electricity | 1,296,820 | 1,369,999 | 1,372,117 | 1,499,437 | 1,368,986 |
| Electricity (excluding street lighting) | 912,768 | 944,690 | 726,269 | 847,074 | 838,171 |
| Total Electricity | 2,209,588 | 2,314,689 | 2,098,385 | 2,346,511 | 2,207,157 |

2. Bev McARTHUR, Page 43

Question asked:

Bev McARTHUR: Another cost imposed on you is all the business of reporting and compliance and the local amendments to the *Local Government Act*, and the code of conduct is a cost, really, if you have to engage in implementing it. I understand your council has been considered wanting in this area, so to speak, because there are allegations that the council and the administration have weaponised the code of conduct at the expense of ratepayers in order to attack each other personally to the point where long-term councillors and

those who have only served one term are so traumatised that they are not standing again. Is this the case at Knox?

Jude DWIGHT: There is one councillor who has made the claim that the code of conduct has been weaponised against her. During my term as Mayor, I would not support that claim. Of course various councillors have different interpretations on how they feel the code of conduct is used. However, my experience is that Knox council has not drawn on the code of conduct in times that they probably should have or could have in other council areas. I think the reason for that councillor standing is a personal one, and I probably cannot comment any further on that.

Bev McARTHUR: On the compliance costs of all of this, how much is that costing ratepayers?

Jude DWIGHT: In terms of how many code of conduct – am I at liberty to give this information?

Navec LORKIN: No. We will say that we will take that on notice.

Bev McARTHUR: Okay. Take that on notice.

Response:

| Matter #1 | Date | Cost |
|----------------------------------|-------------|----------|
| Mediation - fixed cost agreement | 27-Sep-21 | \$6,000 |
| Room (Council office) | | \$0 |
| Staff CCO time | | \$616 |
| | Subtotal | \$6,616 |
| Matter #2 | | |
| Mediation - fixed cost agreement | 7-Sep-22 | \$5,250 |
| Conference room hire | | \$413.11 |
| Staff CCO time | | \$396.90 |
| | Subtotal | \$6,059 |
| | Grand Total | \$12,676 |

3. **Bev McARTHUR, Page 43**

Question asked:

Bev McARTHUR: How many people participate in your community consultation and engagement? How many do participate? I have been on council, so I do understand how many people participate in these surveys.

Jude DWIGHT: We have had excellent participation in our council and community plan.

Bev McARTHUR: What percentage of ratepayers?

Navec LORKIN: I could take on notice the exact number, but what we have seen over the last two years is an increase in people being engaged in even the annual budget process and providing feedback in that space.

Bev McARTHUR: We would love to hear the percentages, over a period of time, of participation. Thank you.

Response:

2024/25 Budget process 1,198 Have Your Say site visits (increased by 794 from 2023/24 Budget process) equating to a 66% increase.

2024/25 Budget process, 310 submissions in total (increased by 250 2023/24 Budget process) equating to 81% increase in submissions.

4. **Michael GALEA, Page 45**

Question asked:

Michael GALEA: As you are finishing a term there too, I acknowledge you for that. We were just talking about the capital works and grants space particularly. I am curious to know if you have any information on the depth of Knox's capital works program and how that compares with other similar municipalities, if it is bigger or if it is smaller?

Navec LORKIN: Are you referring to the total allocation?

Michael GALEA: The total allocation, yes.

Navec LORKIN: We can provide you that information. We did do some work on that a couple of years ago, and we have been intending to refresh it, where we actually had a look across the capital programs of all municipalities and broke that down between asset renewals, upgrades and new. I am happy to provide that to the committee.

Response:

| | | Capital Works Budgets as per 2024/25 Adopted Budgets | | | |
|-----|---------------------------------|---|-----------------------------|-----------------------------|-----------------------------|
| No. | Council | Budget 2024/25 '\$000 | Budget 2025/26 '\$000 | Budget 2026/27 '\$000 | Budget 2027/28 '\$000 |
| 1 | Melton | 223,103 | 288,361 | 256,150 | 226,290 |
| 2 | Melbourne | 207,045 | 182,651 | 142,372 | 120,699 |
| 3 | Greater Geelong City Council | 203,852 | 203,871 | 202,993 | 137,184 |
| 4 | Wyndham | 159,057 | 169,080 | 159,413 | 166,483 |
| 5 | Hume | 154,817 | 163,355 | 165,143 | 157,590 |
| 6 | Ballarat City Council | 122,846 | 113,344 | 92,789 | 92,350 |
| 7 | Port Phillip | 109,786 | 84,107 | 75,074 | 52,811 |
| 8 | Whittlesea | 107,500 | 131,844 | 106,811 | 89,744 |
| 9 | Monash | 107,485 | 47,441 | 48,296 | 48,678 |
| 10 | Casey | 100,647 | 170,121 | 171,058 | 183,748 |
| 11 | Greater Dandenong | 93,474 | 93,278 | 58,948 | 38,343 |
| 12 | Merri-bek | 92,701 | 70,139 | 37,295 | 42,878 |
| 13 | East Gippsland Shire Council | 91,383 | 55,964 | 42,671 | 39,520 |
| 14 | Boroondara | 88,124 | 77,015 | 82,926 | 71,372 |
| 15 | Kingston | 85,740 | 96,808 | 53,672 | 448,887 |
| 16 | Cardinia | 82,337 | 59,647 | 52,958 | 43,410 |
| 17 | Greater Bendigo City Council | 75,025 | 97,626 | 86,771 | 84,304 |
| 18 | Greater Shepparton City Council | 69,968 | 61,149 | 42,837 | 43,165 |
| 19 | Stonnington | 69,834 | 43,794 | 45,223 | 40,326 |
| 20 | Bayside | 69,538 | 56,034 | 49,994 | 46,356 |
| 21 | Latrobe City Council | 68,602 | 45,909 | 33,548 | 35,719 |

| | | Capital Works Budgets as per 2024/25 Adopted Budgets | | | |
|-----|-------------------------------|---|-----------------------------|-----------------------------|-----------------------------|
| No. | Council | Budget 2024/25 '\$000 | Budget 2025/26 '\$000 | Budget 2026/27 '\$000 | Budget 2027/28 '\$000 |
| 22 | Wellington Shire Council | 68,528 | 47,466 | 42,354 | 41,922 |
| 23 | Yarra Ranges | 68,319 | 57,705 | 45,703 | 48,382 |
| 24 | Knox | 67,398 | 40,163 | 46,104 | 45,658 |
| 25 | Hobsons Bay | 66,866 | 50,675 | 35,510 | 48,630 |
| 26 | Maroondah | 65,485 | 42,103 | 53,190 | 67,709 |
| 27 | Banyule | 65,070 | 55,538 | 38,535 | 37,242 |
| 28 | Maribyrnong | 64,338 | 45,135 | 45,050 | 45,691 |
| 29 | Brimbank | 61,357 | 53,487 | 55,560 | 57,895 |
| 30 | Frankston | 58,160 | 84,282 | 77,672 | 58,146 |
| 31 | Manningham | 54,536 | 59,304 | 60,495 | 51,226 |
| 32 | Surf Coast Shire Council | 52,410 | 48,537 | 30,043 | 23,043 |
| 33 | Mildura Rural City Council | 49,696 | 27,753 | 27,801 | 31,122 |
| 34 | Moonee Valley | 48,871 | 48,760 | 39,430 | 41,060 |
| 35 | Mitchell Shire Council | 46,577 | 76,662 | 46,392 | 57,810 |
| 36 | Moorabool Shire Council | 46,485 | 34,656 | 35,713 | 30,804 |
| 37 | Whitehorse | 45,902 | 64,990 | 69,778 | 74,855 |
| 38 | Moira Shire Council | 41,843 | 35,736 | 22,881 | 24,706 |
| 39 | Baw Baw Shire Council | 41,202 | 51,653 | 37,781 | 28,329 |
| 40 | Glen Eira | 41,119 | 29,918 | 39,792 | 35,553 |
| 41 | South Gippsland Shire Council | 36,327 | 18,972 | 18,733 | 18,907 |
| 42 | Yarra | 36,219 | 35,714 | 35,435 | 34,797 |
| 43 | Swan Hill Rural City Council | 35,180 | 24,734 | 23,767 | 18,721 |

| | | Capital Works Budgets as per 2024/25 Adopted Budgets | | | |
|-----|----------------------------------|---|-----------------------------|-----------------------------|-----------------------------|
| No. | Council | Budget 2024/25 '\$000 | Budget 2025/26 '\$000 | Budget 2026/27 '\$000 | Budget 2027/28 '\$000 |
| 44 | Mornington Peninsula | 35,105 | 29,003 | 28,135 | 26,825 |
| 45 | Campaspe Shire Council | 32,596 | 29,608 | 25,179 | 25,794 |
| 46 | Darebin | 31,844 | 33,921 | 33,656 | 33,153 |
| 47 | Corangamite Shire Council | 28,574 | 16,415 | 21,315 | 16,823 |
| 48 | Warrnambool City Council | 27,900 | 23,450 | 35,603 | 32,993 |
| 49 | Moyne Shire Council | 27,890 | 27,832 | 18,698 | 17,712 |
| 50 | Macedon Ranges Shire Council | 26,669 | 37,077 | 28,260 | 29,986 |
| 51 | Horsham Rural City Council | 26,261 | 23,669 | 22,302 | 25,933 |
| 52 | Wangaratta Rural City Council | 24,965 | 16,975 | 27,096 | 31,531 |
| 53 | Bass Coast Shire Council | 24,093 | 39,477 | 41,226 | 31,530 |
| 54 | Gannawarra Shire Council | 22,862 | 16,633 | 18,045 | 14,317 |
| 55 | Towong Shire Council | 22,594 | 4,392 | 4,537 | 4,104 |
| 56 | Southern Grampians Shire Council | 20,625 | 26,625 | 18,000 | 32,000 |
| 57 | Buloke Shire Council | 19,709 | 8,303 | 8,401 | 10,515 |
| 58 | Alpine Shire Council | 18,986 | 8,724 | 8,909 | 9,079 |
| 59 | Northern Grampians Shire Council | 18,833 | 9,340 | 7,524 | 8,608 |
| 60 | Mansfield Shire Council | 18,751 | 8,256 | 7,345 | 7,294 |
| 61 | Strathbogie Shire Council | 16,482 | 7,358 | 13,134 | 10,232 |
| 62 | Wodonga City Council | 16,423 | 14,562 | 21,529 | 23,261 |
| 63 | Nillumbik | 16,070 | 13,048 | 13,220 | 13,565 |
| 64 | Ararat Rural City Council | 15,513 | 9,613 | 10,284 | 10,558 |

| | | Capital Works Budgets as per 2024/25 Adopted Budgets | | | |
|-----|----------------------------------|---|-----------------------------|-----------------------------|-----------------------------|
| No. | Council | Budget 2024/25 '\$000 | Budget 2025/26 '\$000 | Budget 2026/27 '\$000 | Budget 2027/28 '\$000 |
| 65 | Murrindindi Shire Council | 14,223 | 16,707 | 12,875 | 13,340 |
| 66 | Central Goldfields Shire Council | 13,953 | 13,217 | 8,592 | 7,612 |
| 67 | Golden Plains Shire Council | 13,374 | 11,215 | 11,260 | 12,606 |
| 68 | Colac Otway Shire Council | 11,523 | 11,378 | 10,250 | 10,475 |
| 69 | Benalla Rural City Council | 11,016 | 6,448 | 6,752 | 7,453 |
| 70 | Mount Alexander Shire Council | 10,587 | 10,302 | 10,689 | 11,090 |
| 71 | West Wimmera Shire Council | 9,395 | 7,662 | 7,236 | 7,125 |
| 72 | Yarriambiack Shire Council | 8,643 | 5,347 | 5,481 | 5,619 |
| 73 | Hepburn Shire Council | 8,388 | 9,471 | 9,932 | 9,863 |
| 74 | Glenelg Shire Council | 7,893 | 7,305 | 7,395 | 6,485 |
| 75 | Loddon Shire Council | 6,957 | 6,287 | 8,010 | 7,385 |
| 76 | Pyrenees Shire Council | 6,752 | 8,061 | 5,729 | 5,872 |
| 77 | Hindmarsh Shire Council | 6,335 | 4,880 | 4,968 | 5,058 |
| 78 | Indigo Shire Council | 6,073 | 12,448 | 10,440 | 11,413 |
| 79 | Borough of Queenscliffe | 900 | 2,267 | 1,999 | 2,051 |

5. Michael GALEA, Page 45

Question asked:

Michael GALEA: That would be terrific, thank you. There was some discussion as well about kindergartens, and I obviously understand that Knox has outsourced the operation of kindergartens in the city. I am just curious to know if I am correct with this, that through the state government's Best Start, Best Life reforms the funding per student was actually higher than what Knox was charging parents under the previous scheme. Is that correct?

Navec LORKIN: That is correct.

Michael GALEA: How much of a difference was there in how much more the state government was providing?

Navec LORKIN: I would have to take that on notice as to the actual gap. I will just say that we are currently still providing kinder services. We primarily transition out as of 1 January 2025. We are retaining kinder services at two of our sites that also run long day care.

Response:

For the 2024 calendar year the state government 'free kinder' grant per child is \$2,563, the Knox Council equivalent fee would have been \$1,809 for the 2024 calendar year.