

TRANSCRIPT

LEGISLATIVE COUNCIL ECONOMY AND INFRASTRUCTURE COMMITTEE

Inquiry into Local Government Funding and Services

Cobblebank – Monday 7 October 2024

MEMBERS

Georgie Purcell – Chair

David Davis – Deputy Chair

John Berger

Katherine Copsey

Moira Deeming

Bev McArthur

Tom McIntosh

Evan Mulholland

Sonja Terpstra

PARTICIPATING MEMBERS

Gaelle Broad

Georgie Crozier

David Ettershank

Michael Galea

Renee Heath

Sarah Mansfield

Rachel Payne

Richard Welch

WITNESSES (*via videoconference*)

Aaron van Egmond, Chief Executive Officer, and

Andrew McLeod, Director, Corporate Services, Hobsons Bay City Council.

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 various lands 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.

To kick off, we will have committee members introduce themselves to you starting down this end of the room with Mr Davis.

David DAVIS: David Davis.

Bev McARTHUR: Bev McArthur, Western Victoria Region.

The CHAIR: Georgie Purcell, Northern Victoria Region.

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

Sarah MANSFIELD: Sarah Mansfield, Member for Western Victoria.

John BERGER: John Berger, Southern Metro.

The CHAIR: Thank you 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 the hearing. Transcripts will ultimately be made public and posted on the committee's website.

For the Hansard record, could you both please state your full names and the organisation that you are appearing on behalf of.

Aaron van EGMOND: Aaron van Egmond, CEO of Hobsons Bay City Council.

Andrew McLEOD: Andrew McLeod. I am the Director of Corporate Services for Hobsons Bay City Council.

The CHAIR: Wonderful. Thank you. We now welcome your opening comments but ask that they be kept to around 10 to 15 minutes to ensure there is plenty of time for discussion and questions.

Aaron van EGMOND: Fantastic. Thanks very much for the opportunity to present our submission to you today. It is a significant issue that does face the sector and does face in particular Hobsons Bay City Council. Our submission contains a number of elements that I will assume you have read. However, I will provide a brief overview of some of the elements that are contained therein, and I will try to cite some specific examples that demonstrate where those instances of cost shifting and the flow-on impacts to sustainability within our organisation exist.

I would like to commence by talking about the financial strain that is on local government. The example that I will draw reference to is that Hobsons Bay has estimated, through its submission, that approximately \$14 million to \$16 million annually, as at 2023–24, is the tangible impact of forcing council to absorb responsibilities traditionally managed by higher levels of government. That said, I will say at the outset that we do have a strong respect for all levels of government and the roles that they need to play. But often in the delivery of services for our community there are significant challenges that exist by virtue of those elements of cost shifting, in particular exacerbated by local government being the closest level to the community and some of the political impact that takes place by passing through and charging for services or absorbing the cost of delivery of services where there is not a mechanism for an appropriate level of cost recoupment.

Some of the areas that I will touch on are specific examples that relate to the decreasing proportions of funding. There are a number of examples that can be drawn upon that I will reference quite broadly, things like services as simple as school crossing supervisors, which historically have been a shared cost between the state and councils. That proportion of funding has not kept pace with the cost of delivering that service, not to mention that there is also an increase in the level of expectation that exists around community safety within the community. That is just one example. Another example that I will provide is in relation to maternal and child health services. It is a fundamental service delivered by councils that historically, in 2015, was 100 per cent funded by other levels of government. We anticipate that \$3.8 million of funding – it is now 41 per cent funded. That impact flows directly on to effectively an impact of a drop in funding of \$2.21 million per annum, or a 59 per cent decrease. Another area that I will provide examples of relates to library funding. In 2015 \$8 million of funding, or 50 per cent of the service costs, was \$15.9 million. That now is \$1.34 million, or 17 per cent funded, so a drop in funding of approximately \$5.66 million, or a 33 per cent decrease.

The impact of rate capping also cannot be skimmed over from our perspective. Whilst there are potentially a range of benefits that can exist through things like rate capping, in the early introduction of that there were significant predictions that the rate cap would not allow councils to deliver on the services that they had traditionally provided. That significant increase over time is now significantly impacting the sector, in particular Hobsons Bay City Council. In more recent times, with the impacts of the COVID pandemic, it has been acknowledged by our community – I mentioned earlier we are the closest level of government to the community – that the ability to increase rates has been limited by that rate cap and that the rate cap is under levels of CPI. This has meant that the ability for councils to charge for the services that it delivers has been significantly hampered. The example that I also provide is that the area of increasing capital cost, or the delivery of capital infrastructure, has significantly increased over that time, so the ability for councils to raise rates is impacted by rate capping. The rate cap does not keep pace with CPI. Also, significant costs within our business which extend beyond CPI have been impacted more significantly as a result of not being able to raise rates to capture the appropriate level of cost of delivery of service. It is acknowledged, though, that there is benefit in ensuring that councils and all levels of government are providing services as efficiently as possible. However, when that impacts on the ability to provide the appropriate levels of service to our community, then it is the community that suffers.

There are a significant number of examples that relate to enforcement of state and federal policies. The examples that I provide relate to beneficial in many cases, but inadequately funded, services where the state government sets a requirement through legislation for a service to be delivered. Examples of that relate to management of Crown land and contamination that exists within Crown land, so former landfills and the cost of delivery of those services is an impact that flows through to councils. Also, areas of enforcement with things like swimming pool compliance, which although not significant over time can become significant. We anticipated an estimated impact of about \$175,000 a year as a result of needing to enforce legislation that sits around swimming pool compliance. That said, we acknowledge that there is a benefit to that, but the level of funding support that has come along with that policy change has not been to the level to be able to deliver that service, so as a result councils are left to find those enforcement funds from existing budgets.

Waste charges are another area of significance, and recent policy that changes the way that recycling, in particular things like glass collection, occur within the state, whilst beneficial – and I am a big proponent of that personally – I would say that the cost of that policy change is significant, and with the ability to charge a waste charge exacerbated by things like waste levy increases and the direct impact and the political challenges of being able to pass on the appropriate level of cost increase for a community that is facing significant cost pressures by virtue of a whole range of economic factors, there is a challenge in being able to raise waste charges to be able to fully fund the cost of waste delivery.

One other example that I will reference is boat ramp management. Recent decisions of reducing or eliminating boat ramp fees is something that has significantly impacted Hobsons Bay City Council, who manage two of the most significant boat ramps within the Melbourne metropolitan area. Previously with that funding there was an ability to charge boat fees for launching boats at those facilities. With the removal of that fee the funding that has flowed in the form of a one-off or an annual grant once again does not allow the ability to fully maintain the services that exist at those boat ramps, to be able to maintain the assets to a high level, and that includes things like dredging and other facility maintenance in and around that area. Once again the impact of that is approximately \$150,000 per annum. [Zoom dropout]

Andrew McLEOD: I think we might have lost him.

The CHAIR: I think we have lost him, yes. Are you able to carry on, Andrew?

Andrew McLEOD: I can. I guess the next area we wanted to touch on is obviously the impact of debt recovery mechanisms – Fines Victoria – and the impact that that is having. It is significant across the industry. For those of you who do not know, Fines Victoria do all of the collections follow-up for any infringements that are issued through regulatory activity throughout our operations. Prior to Fines Victoria, council managed its own debt recovery through the courts and also through outstanding debtor type services. At the time, we were recovering about 80 per cent of all outstanding debts aged beyond about 60 days. At the moment we are well south of that, somewhere in the 52 to 55 per cent level. Fines Victoria charge both a fee to provide the service and actually are not recovering the fines anywhere near as much, so that has a flow-on effect to us in the context of an outstanding or doubtful debt of about \$6.5 million currently. Across the sector I think it is about \$140 million. But because of the legislation that underpins debt recovery through the Fines Victoria changes, we cannot write it off as a bad or doubtful debt, so our balance sheet progressively deteriorates as a consequence of that change.

Now, I note Aaron is back, so I will throw back to Aaron. We are up to accounting standards, audits and the like, Aaron.

Aaron van EGMOND: Thanks, Andrew. My apologies for chiming out then. As Andrew mentioned, accounting standards, audits, elections and conduct inquiries all come at a cost to councils. It is worth noting that with things like the local government elections there has been competition within that space. They have historically cost a certain amount of money. That is a cost that council has no say in but needs to effectively provide the cost to deliver that service on a four-yearly basis, once again not having control over it but bearing the cost of that compliance.

The level of audits within the sector once again has increased, and it is something that we participate in as fully as we possibly can in all scenarios. However, the cost that comes with providing that level of response is once again significant. Ombudsman inquiries as well have increased significantly, and the cost of freedom-of-information service provision has also come at a significant cost to councils, with a significant increase in the call on that particular service. With that, I might just check that Andrew did not have anything else to add to that. I will pause there, and if there are any questions that the committee has for either me or Andrew, we are more than willing to speak to that.

Andrew McLEOD: The only thing I would add, Aaron, is there is a really significant – but uncoded from our point of view – impact of the transition of assets. You will note that with the West Gate Tunnel we have a lot of assets that are being created by the state on state roads predominantly. With that comes the ongoing maintenance obligation. Now, there is an increasing frequency of the transference of assets. Council is willing in many respects to take on that asset primarily because maintaining that asset is far faster and we can maintain a high level of service readily. I will use things like mowing grass on open space, elements around bridges, graffiti on bridges, those sorts of things. They are state government assets, but if we do not take over the carriage and custody of those assets, the maintenance schedules that the state is providing do not satisfy the requirement of communities, so we get an influx of complaints about the unsightly nature of these assets.

We then have to apply to get access to those assets to maintain them. So in many respects it is easier for us to take it on, but that comes with a significant cost and that has become a more and more frequent method that is being used by the state in creating new assets. So I think it is something where there needs to be a more considered, state level based policy that sees that ongoing cost more reasonably considered in terms of how that

might be offset through grants or whatever. But it is a real impact and it is not unsubstantial. Other than that, we are open to questions.

The CHAIR: Wonderful. Thanks so much for your opening remarks. And I just want to acknowledge Ms Terpstra has now entered the online link. Hey, Sonja. We will kick off, members. We only have 35 minutes and a number of us here, so 3 to 4 minutes each and we will go around again if there is time, starting with Mr Davis.

David DAVIS: Can I thank both of you for your contribution and the material provided before time, which is much appreciated. I just wanted to go to the very interesting chart in your submission where you look at state and federal recurrent revenue, and I am just going to put this on the record so that people know what I am talking about. Essentially you say that between 2019–20 and 2023–24 the financial input from state and federal government fell from an aggregate of just about \$10 million at that time in 2019–20 to, well, far less – from \$10.28 million to \$5.92 million. I think that is right. And that was composed of \$5.4 million state money and \$4.9 million federal money, falling to \$4.2 million state money and \$1.7 million Commonwealth money. So that seems to me to be a very big fall in the Commonwealth share of that too. And I am looking also at this point here: if you look at \$1.7 million across your 98,200 residents – and tell me if I have got these figures wrong – that is about –

Andrew McLEOD: Can you repeat that number for me?

David DAVIS: 98,200?

Andrew McLEOD: Yes.

David DAVIS: That is your population. That makes about \$17.31 per resident that I think is coming from the grants commission. Is that right?

Andrew McLEOD: Correct.

David DAVIS: Yes. So that has fallen to just \$17 per resident, and the state contribution per resident is just \$42.77 on that analysis. What has happened that these shares have fallen so dramatically – a fall against the inflation trend, of course – in those five years? And I put on record: I make your income in the 2024–25 financial year \$177,800,000. To give somebody context, \$1.7 million is the total federal contribution and \$4.2 million is the total state contribution. The rest is picked up largely by your ratepayers. Is that right?

Andrew McLEOD: Correct. I mean, additional fees and charges might include, obviously, visitors to the municipality, but mainly –

David DAVIS: The biggest contribution is your ratepayers. But it just seems to me – why has that federal component fallen so much? Is that the grants commission decision to change the weighting?

Andrew McLEOD: Through you, Chair, I could not give you a definitive answer as to why. This is just the material impact from our end. Anecdotally, the sorts of programs that are being offered for eligible grant funding have changed to obviously address what the feds believe is the need. That may be one contributing factor, but in the end the amount of success and available funding that we are getting in both our ops and capital grants has reduced.

David DAVIS: And the share of the money coming via the grants commission, which is a state-administered body but largely administering federally derived funds – this is correct, isn't it?

Andrew McLEOD: Yes, I believe that is the case.

David DAVIS: And what has happened to the revenue flow from the grants commission?

Andrew McLEOD: I would have to take that on notice in terms of the actual make-up of where and to which parts the grant commission is going, but I mean, overall there is a general reduction in the availability of grants and the –

David DAVIS: But the block grants from the grants commission are now a tiny percentage of your income.

Andrew McLEOD: Yes.

David DAVIS: A tiny percentage. Can you perhaps take that on notice? A time series on that would be very helpful. Chair, can I do one more?

The CHAIR: Yes, one more question. That is fine.

David DAVIS: Yes, one more on a different topic. I wanted to talk to you about this issue of roads and the state component here. It seems that what you are saying – and I am trying to get this clear – is that you are taking on some responsibility for a number of state roads, for example, for graffiti removal and some maintenance. Is that –

Andrew McLEOD: Road reserves, yes – not so much the roads themselves, but the road reserves, so the areas surrounding the roads, the areas surrounding bridges, thoroughfares, access, those sorts of things.

David DAVIS: Can you document that for us in some way? Is there some way that we can get that time series, because I think that is quite important. I mean, states should be looking after their own roads and their own road reserves. That is not fundamentally, it seems to me, your responsibility.

Andrew McLEOD: Yes. No problem. We can get you information. We are actually in the middle at the moment of negotiating with one of the authorities around transfer of assets related to the West Gate Tunnel authority, so there is in the end a real transference. So yes, we can get you some examples of that if that is helpful.

David DAVIS: Yes. And the West Gate Tunnel authority, what are they transferring?

Andrew McLEOD: There are a number of, I would describe them as odds and sods – different sort of open-space verges coming onto the entry ramps and those sorts of things.

David DAVIS: Thank you.

The CHAIR: Thanks, Mr Davis. Ms Terpstra.

Sonja TERPSTRA: Because I joined late, Chair, I do not really have any questions, so I will pass.

The CHAIR: No problem at all. Great. Mr Berger.

John BERGER: Thank you, Chair. Thank you both for your appearance today. We have heard from a number of councils that they have been able to work collaboratively together to work on a few IT issues. I just wonder if that is something you would work with some of your neighbouring councils on to reduce costs.

Aaron van EGMOND: Thank you for the question. There are a number of examples, in particular within the western region, where councils have collaborated together on looking at different computer software, project management software. I think there has been a lot of exploration, and where there are opportunities to collaborate that exist, those opportunities take place. In saying that, it is probably more relevant, that I have seen, within a rural context within smaller organisations. I think some of the complexity of individual systems and timings of contracts can pose problems, but that is definitely something that the western region, and also through bodies like the MAV, participate in bulk procurement or shared services in a number of instances. Andrew may like to add to that, being involved in corporate services.

Andrew McLEOD: Yes. Look, from an actual IT systems implementation, there is a lot of discussion, a lot of collaboration, but not necessarily a lot of shared contracts. Different needs and different preferences for technological solutions seem to be the obstacle there. But we certainly lend resources between each other for different problems and solve different issues that come on, yes.

John BERGER: Thanks, Chair.

The CHAIR: Thanks, Mr Berger. Dr Mansfield.

Sarah MANSFIELD: Thank you. Thank you for appearing today. There is a section in your submission where you talk about social housing and the increased responsibility that is falling on council to address this area. Can you explain that a bit more?

Aaron van EGMOND: Thank you for the question. It is an interesting area, the social housing, and I will give an example. Hobsons Bay, over a period of time, has worked with organisations like Homes Victoria in the preparation of strategies that help to provide solutions for some of the social housing issues that exist within Hobsons Bay in particular. A lot of this comes from expectation and flow-on impacts through things like our council plan, where we have established a housing trust where we work with an affordable housing provider to deliver on aspirations to develop more affordable and social housing within the City of Hobsons Bay. That strategic development and project development – in particular one project where council purchased land a number of years ago through the state government and then contributed that parcel of land back into a project that would see approximately 40 affordable housing units developed. Albeit there is not a specific requirement that councils need to, but there is a strong and growing expectation within the community that is pulling councils into that space. Many elected representatives are keen to participate in that space, but it does come at a cost in providing that level of strategic implementation around things like the affordable housing trust. Andrew, is there anything else you would like to add to that?

Andrew McLEOD: Yes. There are also the mechanisms that go along with establishing the trust, administering the trust and establishing the contracts. With the trust, we have probably spent close to a million dollars, on top of the three and a bit million that we paid for the land in administering the establishment of the trust that then allowed the trust to go forward with its application under the better build program, for which we are, fingers crossed, looking for an announcement anytime soon. There will be a really good community outcome but nonetheless a significant cost burden that council are picking up – willingly, in this instance, but picking up.

Sarah MANSFIELD: Thank you. You have also outlined the issue around levies for services that are not actually provided by the council. People will get that on their rates notice as though it is a council fee, but is actually for things that are administered by the state. Do you have any suggestions about how that could be done differently?

Andrew McLEOD: I think it is community perception that we are tackling in this one. It really is not about whether it is right or wrong, it is more about where the attribution is placed for that service and that cost. When people talk rates, they talk about the amount that they pay from their rates notice. They do not distinguish between the fire services levy, the waste charge or the rate itself. It all goes down to what they have to pay council this year. I think if there were some standardised format that separated state and local charges in quite a standardised and pronounced way, that would go some way. It is no skin off our nose to administer it passing through, but in terms of the perceptible way that the rates notices are structured, having consistency across the state that says this section is state government recovery and this section is local government recovery.

Sarah MANSFIELD: Yes. Just on the waste services levy, you have highlighted that in Hobsons Bay, despite contributing quite significantly to a state-administered fund, you largely had to fund the rollout of initiatives like the four-bin system yourselves. Again, what changes would you like to see in terms of waste when it comes to state funding of various initiatives like the four-bin system, which is actually a requirement of the state government anyway?

Aaron van EGMOND: If I could answer that, a lot of these scenarios we seek very positive impacts from, in particular the introduction of the four-bin glass system. Hobsons Bay was the first to roll that out, or one of the very first in the state to deliver that service across the city. In doing so, there was an expectation that a significant amount of funds would flow back through to help fund that service. The amount of funds that did flow did not fully deliver on the cost of that and was far below what was expected. Then the flow-on impacts of the cost of an extra bin collection are also significant in that – not that we step away from that; we do think it is a really positive step forward. But the ability for things like the waste levy, which has been accumulating within the state for many years – and I know there is a strong debate that exists within local government calling for some of those funds to be released for the implementation of things like the circular economy transformation, like the four-bin system. Those funds have not been flowing in a way that would potentially contribute to better environmental outcomes but also minimise the amount of cost that needs to be passed through to our

community, reducing some of the burden on our community, and provide the ability for us to fully recover or gain a significant amount of that funding to help fund future implementations.

Sarah MANSFIELD: Thank you.

The CHAIR: Thanks, Dr Mansfield. Ms Broad.

Gaelle BROAD: Thank you very much for your contribution to the inquiry. We appreciate it. I was just interested. You mentioned council elections earlier. Has the council faced any increased costs in running elections?

Andrew McLEOD: I would have to take that on notice on how it compares to four years ago. It is not significant between now and then – I know that definitively because we had enough provision in our budgets. But in terms of the general premise here, there is no contested pricing. I once upon a time came from New South Wales, where you could opt to either use an externally provided service or you could choose to run your elections yourself. I think the ability to have some level of competitive process would at least give the community a context that a very significant administrative expense is as efficient and cost-effective as it can be. I think that is the point. It is a blank cheque; we just have to pay the bill. But being in a position where we could at least be satisfied that the rigours that we are required to apply in any other type of purchase were applied in this sense.

Gaelle BROAD: It would be helpful if you could expand on that in writing I guess if you had any consultation with the government, because I know there have been changes to the recent council elections, but just to the process generally that would be great. I am just interested in WorkCover premiums. Have you experienced any significant increases in WorkCover premiums?

Andrew McLEOD: With the actual premiums, we are bucking the trend in pulling ours back, primarily through the investments that we are putting into safety and our injury management. The premiums themselves are going backwards. As a proportional cost, I would need to take that on notice as to whether or not on a claim-for-claim, incident-for-incident, basis it was increasing or decreasing.

Gaelle BROAD: What sort of improvements has council made to improve workplace safety?

Andrew McLEOD: We do everything from regular audits. We invest somewhere between \$800,000 and a million in corrective action, so anything that we see we fix as a general policy position. We have also got a more accomplished approach to rehabilitation management, so we are really focusing hard on getting people back to work quickly. All of the studies show very clearly that the quicker you can get somebody back and into a routine, the better your outcomes are. I would suggest that the common trend that is facing us now, particularly post COVID, is the occupational violence side of things with members of the community being less tolerant under financial stress. We are finding that quite challenging, but because we are putting a lot of investment into wellbeing and mental health we are getting to intercede and support the mental health violence space, which is where most of our cases and claims are coming from. That is probably it in a nutshell.

Gaelle BROAD: Thank you. And one last question – have I got time?

The CHAIR: Yes, of course.

Gaelle BROAD: Your submission mentions frequent audits – regular audits – conducted by state authorities that require preparation and management. Can you give some examples of what you are being audited on and how frequently?

Andrew McLEOD: Obviously, like everybody, we have our end-of-year audit, which is not unsubstantial. I guess the claims and the requirements that are being applied to that are becoming more and more intense. It takes longer and longer and is more and more expensive. We often get requirements to, I guess, review complaints from other agencies where we need to dive in and audit external assertions that we then have to take in house and bring back – OVIC, the Ombudsman and the like – and then we will have things like inquiries with complaints through the inspectorate and the like where we need to do a deep dive or retrieval and the like on different elements. The frequency – well, there would be one going most of the time in one shape or form. It is not cyclical like we can expect one to come, but they will just keep coming, if that makes sense.

The CHAIR: Thanks, Ms Broad. Mrs McArthur.

Bev McARTHUR: Thank you, Chair. Thank you, gentlemen. You have really just become the servant of state government, haven't you? If you continue just to accept their cost-shifting and buck-passing, they will just roll out more cost shifting onto your ratepayers. Why don't you actually all band together and stand up to this nonsense?

Aaron van EGMOND: I might try to address that somewhat. I think it is fair to say that obviously local government is very connected with the state government, and we report to state government. There are a range of things that councils do to try to work collaboratively with the state to make sure that we can provide feedback where decisions are imminent. Probably the main thing I would call upon is that the knowledge within the sector is something that, I feel, should really be honoured as a partnership between the state, federal and local governments. We are the closest level to the community and the delivery of services, and we do have a lot of experience with how decisions that are made at higher levels of government flow through to our community. So I do agree that there is an opportunity to band together to convey information that helps to assist our community to ultimately deliver the best services that we can. That said, we do play a role as a tier of government, and we need to make sure that our partnership with the state is as strong as possible to make sure that our community sees the appropriate level of funding flow for grant funding but also for recurrent funding to deliver services. Where those cost shifts have taken place, we want to make sure that the impacts of that are known and work with our council colleagues to communicate that information.

Bev McARTHUR: How are you actually doing that?

Aaron van EGMOND: We do it through a number of forms. In particular there are a number of groups that we exist within. There is more generally the MAV and the western region of the MAV. That is our peak body.

Bev McARTHUR: Well, they have not been too vocal, have they?

Aaron van EGMOND: I will not pass comment on that, if that is okay, but I will say that there are other groups that we are involved in. We exist within a group of councils called the M9. The M9 is a group of councils that adjoin the City of Melbourne, and we have made a number of submissions and had meetings with different government departments to communicate a range of issues that we are talking about here to make sure that the service provision that we can provide is appropriately funded and is appropriately considered. But as I mentioned, that feedback is received and taken on in good faith as coming from a place of knowledge as a partner in the delivery of those services. We are not being handed down a decision without the ability to be able to provide feedback.

Bev McARTHUR: Well, it is not making any difference, because you have just demonstrated how the cost shifting of state government onto ratepayers is getting worse and worse. Now they are only funding libraries at 17 per cent. They were 100 per cent funding the maternal and child health services; they are now only funding it 41 per cent. Are you at school crossing costs? Did they send you an email about a jab tax, Mr CEO?

Aaron van EGMOND: I will have to defer to Andrew on that, if he knows anything about that.

The CHAIR: You are welcome to take that one on notice too, if you do not have the response now.

Bev McARTHUR: Well, if he knows now, he can tell us.

Aaron van EGMOND: I am not able to make that comment, I think.

Andrew McLEOD: I am not aware of a jab tax.

Bev McARTHUR: Well, do you provide vaccination services in Hobsons Bay?

Andrew McLEOD: Yes, we do, through our child and maternal health service, but we do not for COVID or general inoculation. We do hep A and hep B.

Bev McARTHUR: Okay. So if you take on notice whether you have got the email that you are going to be up for \$6000 in admin and \$2 per jab, that would be helpful.

The CHAIR: Time for one more question, Mrs McArthur.

Bev McARTHUR: What about the free kindergarten? You might want to take that on notice too. How much is it costing your ratepayers to roll out the government's free kindergarten? Are you funding the facilities, the utilities, the ongoing costs or the increase in new facilities required with your growing populations to provide the government's policy of free kindergarten?

Andrew McLEOD: Yes. Through you, Chair, we obviously wear the land asset costs. The new kindergartens that have been introduced have been fully funded by the state, but the ongoing maintenance and upkeep is a question yet to be realised. I assume that we will bear that at some point in the process, and there is some administration around the centralised coordination of kindergarten.

Bev McARTHUR: Perhaps you can take that on notice and get back to us.

The CHAIR: Thank you very much, Mrs McArthur. We have gone through all members and will not have time to do another round, so we might just leave it there. If members have any further questions, they can submit those to you on notice. But thank you very much for taking the time to appear before us today. That concludes the public hearing.

Witnesses withdrew.