

**ATTACHMENT: QUESTIONS TAKEN ON NOTICE AND FURTHER
INFORMATION AGREED TO BE SUPPLIED AT THE
HEARINGS**

Hon Marlene Kairouz MP

LOCAL GOVERNMENT PORTFOLIO

1. How many of the 40 Growing Suburbs Fund projects that are due to commence construction are from Nillumbik Shire Council?

(Asked by Ms Ward, pages 3-4 of the Local Government portfolio transcript)

Response:

Nillumbik Shire Council has received a total of \$16.2 million in funding under the Growing Suburbs Fund to date for ten projects, with this figure representing the fourth largest amount of the ten interface councils. In the 2017 round of funding, Nillumbik received funding of \$7.7 million for five projects which was the second largest amount of the ten interface councils.

Local Government Victoria is continuing to work closely with Nillumbik Shire Council to ensure that all funded projects are delivered within the timelines specified in the relevant funding agreements.

Of the ten projects funded to date:

- one has been completed;
 - two are underway, with completion due in 2018;
 - four are due to commence by September 2018;
 - two have been significantly delayed due to project re-scoping by the council; and
 - one requires the resolution of planning and permit issues before a funding agreement can be executed.
2. Please provide a reconciliation of the re-phasing of Commonwealth Grants to Local Government (paid to Victoria) with the estimates included in the budget papers for the years 2015-16, 2016-17, 2017-18, 2018-19.

(Asked by Mr Morris, pages 7-8 of the Local Government portfolio transcript)

Response:**Commonwealth financial assistance grants to local government**

	2015-16 (\$m) ¹	2016-17 (\$m) ²	2017-18 (\$m) ³	2018-19 (\$m) ⁴	Total over 4 years ⁵
Published budget	539	540	565	594	2,238
Revised budget	270	542	293	297	1,402
Actual grants paid or forecast to be paid	269.6	822.9	590.6	297.3	1,980.4
Variance between published budget and actual grants paid or forecast to be paid	269.4	(282.9)	(25.6)	296.7	257.6

¹ Approximately half of the funds budgeted for 2015-16 were brought forward to 2014-15. The 2015-16 revised budget was reduced to reflect this.

² Approximately half of the funds budgeted for 2017-18 were brought forward to 2016-17. Due to the timing of the Commonwealth's decision to bring forward this payment, it is not captured in the 2016-17 revised budget.

³ Approximately half of the funds budgeted for 2017-18 were brought forward to 2016-17. The 2017-18 revised budget was reduced to reflect this. The Commonwealth will also bring forward approximately half of the funds budgeted for 2018-19 into 2017-18. Due to the timing of the Commonwealth's decision to bring forward this payment, it is not captured in the 2017-18 revised budget.

⁴ Approximately half of the funds budgeted for 2018-19 will be brought forward to 2017-18. Due to the timing of the Commonwealth's decision to bring forward this payment, it is not captured in the 2018-19 published budget. Note that the revised budget for 2018-19 and the grants paid in 2018-19 are estimates at this point in time.

⁵ Over the four-year period shown, a total of \$1,980.4 million in financial assistance grants are estimated to be paid to local governments, reflecting 3.5 years of financial assistance grants allocations (i.e. half of the 2015-16 allocation, and full year allocations for 2016-17, 2017-18 and 2018-19). The variance between the total published budget and actual grant payments of \$257.6 million is mainly due to half of the 2015-16 allocation that was brought forward to 2014-15 (and not captured in the above table).

3. In relation to Central Goldfields Shire Council, what is the annual cost of the administrators over and above what the Central Goldfields Shire Council mayor and councillors were costing?

(Asked by Mr Morris, page 12 of the Local Government portfolio transcript)

Response:

Councillor allowances

Mayors and councillors are entitled to receive an allowance while performing their duty as elected officials. The Victorian Government sets the upper and lower levels for allowances paid to councillors. The exception to this is the Melbourne City Council and Greater Geelong City Council where allowances are separately fixed.

In terms of Councillor allowances, Councils are divided into three categories based on the income and population of each Council.

The Minister for Local Government approved an adjustment factor increase of 2.0 per cent to the below Mayoral and Councillor allowances, effective 1 December 2017, under section 73B(4) of the *Local Government Act 1989*. Central Goldfields Shire Council entered administration on Saturday, 26 August, following the passage of the *Central Goldfields Shire Council Bill 2017* through the Victorian Parliament.

The Central Goldfields Shire Council is a Category 1 Council and its electoral structure comprises seven councillors from four wards.

The current range for Category 1 Councillors is \$8,490 to \$20,231 and for the Mayor is up to \$60,442. Elected representatives also receive the equivalent of the Commonwealth Superannuation Guarantee (currently 9.5 per cent).

The annual amount that would have been payable for Councillors for Central Goldfields Shire Council is \$181,828 plus the 9.5 per cent equivalent of the Commonwealth Superannuation Guarantee.

Remuneration of administrators

Administrators are appointed to perform the functions, powers and duties of a Council when a Council is dismissed. Unlike Councillors, administrators are statutory appointments. They are remunerated according to the terms and conditions fixed by the Minister for Local Government.

The Minister considers the following criteria when determining administrator remuneration:

- a. Alignment with the three categories for councillor allowances (which reflect council's recurrent revenue and population);
- b. The workload and expertise required to restore good governance at the Council;
- c. The availability of suitably qualified candidates to perform the role of administrator;
- d. The remuneration of past panels of administration; and
- e. Any other factors considered relevant for determining the remuneration of administrators.

The administrators at Central Goldfields Shire Council receive a total annual remuneration of \$290,000 plus a 9.5 per cent superannuation contribution.

The remuneration of the administrators at Central Goldfields Shire Council is consistent with the remuneration of past panels of administrators, reflects the complexity and intensity of the work

required to restore good governance at the Council and reflects the skills and experience needed to act as the Council during the period of administration. It is also consistent with the Government's Appointment and Remuneration Guidelines.