

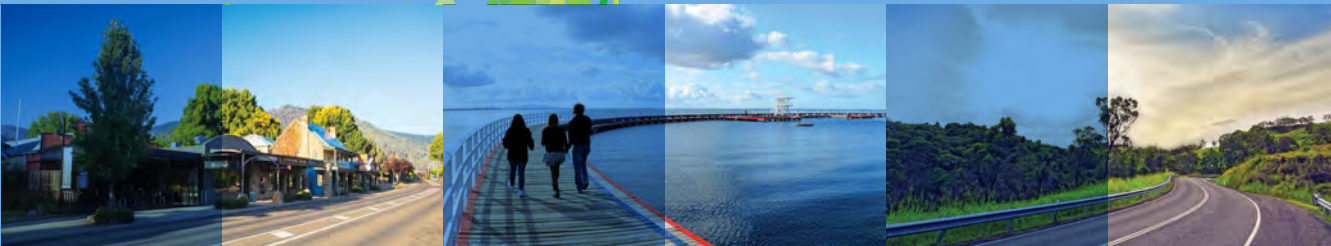


Australian Government

Department of Infrastructure and Regional Development



Local Government National Report



2014-15

2014-15 report on the operation of the *Local Government (Financial Assistance) Act 1995*



Australian Government

Department of Infrastructure and Regional Development

Local Government National Report



2014-15

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Foreword

I present to the Australian Parliament the report on the operations of the *Local Government (Financial Assistance) Act 1995* (Cth) (the Act) for 2014–15.

The Australian Government recognises that communities are better served through improving the capacity of local government to deliver services to all Australians, by enhancing the performance and efficiency of the sector. The Act, and its implementation through the Financial Assistance Grant programme, is an important means used to achieve these goals.

The Financial Assistance Grant programme is providing councils with \$9.3 billion from 2014–15 to 2018–19. Under this programme, the Government provided \$2.3 billion in 2014–15 through four quarterly instalments made in August, November, February and May. In addition, the first two quarterly instalments of the 2015–16 Financial Assistance Grant entitlement were brought forward and paid to jurisdictions in June 2015. This bring forward provided local governments with \$1.1 billion to spend according to local needs.

The Australian Government's 2014–15 Budget paused the indexation under the Financial Assistance Grant programme for three years from 2014–15. Local governments continue to receive their legal entitlement under the Act. There have been no cuts to the Financial Assistance Grant programme. While this was an unpopular decision, the indexation pause has contributed to the important task of budget repair. The 2016–17 Budget confirmed that indexation will resume from 1 July 2017.

The Financial Assistance Grant programme distributes funds to all local governments across Australia and a larger proportion to those councils that need it most. This report provides an account of how the states and the Northern Territory allocated the 2014–15 funding between councils through their local government grants commissions. The Australian Capital Territory also receives funding as it provides local government functions.

This report provides an assessment, based on available comparable national data, of the efforts to achieve horizontal equalisation, so all communities within a jurisdiction can access a similar range and quality of services within their jurisdiction. The report also provides information on the efficiency of councils and the services they provide to Aboriginal and Torres Strait Islander communities.

In 2014–15 it was really pleasing to see the positive impact state and territory reforms are having for local governments and their communities, including:

- New South Wales' Stronger Councils, Stronger Communities initiative to strengthen councils and their communities, streamline legislation and cut red tape;
- The Municipal Association of Victoria's Australian-first bond issue for the local government sector through the Local Government Funding Vehicle;
- Amendments to local government legislation in Queensland assisting voters with a disability and in the Northern Territory to streamline election requirements;

- Improved council purchase and tender practices in Western Australia; and
- Tasmania's feasibility studies into reform opportunities for councils in the southern region of Tasmania and shared service arrangements for the nine councils in the Cradle Coast region and the eight councils in the northern region.

Local governments are the life blood of their communities and this untied funding enables local governments whether it be in metropolitan, rural or remote areas, to deliver a similar range and quality of services to their local communities.

I thank state and territory governments and the local government associations who have contributed to the preparation of this report.

A handwritten signature in black ink, appearing to read 'Fiona Nash', written in a cursive style.

Senator the Hon Fiona Nash

Minister for Local Government and Territories

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01

Local government in Australia



The Australian Government recognises that the national interest is served through improving the capacity of local government to deliver services to all Australians, by enhancing the performance and efficiency of the sector. The *Local Government (Financial Assistance) Act 1995 (Cth)* (the Act) is an important means used to achieve these goals.

During 2014–15, Australia had 570 local governing bodies eligible to receive funding under the Australian Government’s Financial Assistance Grant programme. The Act provides the legislative basis for this programme. These 570 local governing bodies include 560 local governments and 10 declared local governing bodies: five Indigenous local governing bodies and the Outback Areas Community Development Trust in South Australia; the Trust Account in the Northern Territory; and the Silverton and Tibooburra villages as well as Lord Howe Island in New South Wales. In addition, the Australian Capital Territory receives funding through the Financial Assistance Grant programme as it maintains both territorial and local government functions.

The Act defines the term ‘local governing bodies’ in a way that includes local governments established under state and Northern Territory legislation as well as ‘declared bodies’. The term ‘council’ is used in this report to encompass all local governing bodies, recognising its common use to denote local government.

Declared bodies are provided with funding under the Financial Assistance Grant programme and are treated as local governments for the purposes of grant allocations. Declared bodies, however, are not local governments and have different legislative obligations. Due to this difference, data provided in this report relating to local government may not be directly comparable to local governing bodies. Also, data relating to local government cannot be directly compared to that for the Australian Capital Territory, as the Australian Capital Territory performs both territorial and local government functions.

Local government functions

The structure, powers and responsibilities of the Australian and state governments were established during federation, but local government was not one of the areas identified as a Commonwealth responsibility: instead the responsibility lies with the states and Northern Territory. The states and the Northern Territory pass the legal and regulatory framework for the creation and operation of local government. As such, there are significant differences between the systems overseeing councils.

The main roles of local government are: governance, planning, community development, service delivery, asset management and regulation.

Local governments are close to their communities and have a unique insight into local and community needs. Councils determine service provision according to local needs and the requirements of state and territory legislation.

Population

The estimated resident population of Australia at 30 June 2015 was 23 781 200, an increase of 317 100 persons or 1.3 per cent from 30 June 2014. All states and territories experienced positive population growth for the year ending 30 June 2015. Victoria recorded the fastest growth rate (1.7 per cent), while the Northern Territory and Tasmania recorded the slowest (0.4 per cent).

The Australian Bureau of Statistics publishes information on Australia's population through the *Australian Demographic Statistics, ABS cat. no. 3101.0*.

Diversity

Considerable diversity can exist in local government within and between jurisdictions. This diversity extends beyond rural–metropolitan differences. In addition to size and population, other significant differences between councils include:

- the attitudes and aspirations of local communities
- fiscal position (including revenue-raising capacity), resources and skills base
- legislative frameworks, including for example voting rights and electoral systems
- physical, economic, social and cultural environments
- range and scale of functions.

Aboriginal and Torres Strait Islander councils

Aboriginal and Torres Strait Islander councils have been established under a number of different legislative frameworks. They can be established under the mainstream local government legislation of a jurisdiction or through specific legislation. These councils can also be 'declared' to be local governing bodies by the Australian Government Minister for Local Government on advice from a state or Northern Territory minister for the purpose of providing funding under the Financial Assistance Grant programme.

National representation of local government

The interests of local government are represented through a number of groups, including the Council of Australian Governments and the Australian Local Government Association.

The Council of Australian Governments (COAG) is the peak inter-governmental forum in Australia. It comprises the Prime Minister, state premiers, territory chief ministers and the Australian Local Government Association President. Established in May 1992, its role is to initiate, develop and monitor implementation of policy reforms of national significance and require co-operative action by all Australian governments.

Inter-governmental agreements are established by COAG to signify the commitment of jurisdictions to implement its decisions. In many instances, these agreements are precursors to the passage of legislation at the Commonwealth, state and territory levels. Further information is available at www.coag.gov.au.

The Australian Local Government Association is a federation of state and Northern Territory local government associations and the Australian Capital Territory Government. The Australian Local Government Association aims to add value, at the national level, to the work of state and territory associations and their member councils. It represents the interests of local government through its participation in the Council of Australian Governments and other ministerial councils. Further information is available at alga.asn.au.

Australian Government grants to local government

The Australian Government supports local government through the Financial Assistance Grant programme, specific purpose payments (SPPs) and direct programme funding.

In 2014–15, the Australian Government provided \$3.4 billion in untied funding under the Financial Assistance Grant programme to local governing bodies and the Australian Capital Territory Government. This includes \$1.1 billion of the budgeted allocation for 2015–16, which was brought forward and paid to states and territories in June 2015. The means of distributing funding provided under the Financial Assistance Grant programme is discussed in Chapter 2. Allocations to local governing bodies for 2014–15 are provided in Appendix D.

Under the Intergovernmental Agreement on Federal Financial Relations, the Australian Government provided ongoing financial support to help the states and territories deliver services to local government through:

- national SPPs to be spent in key service delivery sectors
- National Partnership payments to support delivery of specified outputs or projects, facilitate reforms or reward those jurisdictions that deliver on nationally significant reforms
- general revenue assistance, including GST payments.

The national SPPs are distributed among the states each year in accordance with the Australian Statistician's determination of state population shares as at 31 December of that year. An equal per capita distribution of the SPPs ensures that all Australians, regardless of the jurisdiction they live in, are provided with the same share of Commonwealth funding support for state service delivery.

Total payments to the states for specific purposes constitute a significant proportion of Commonwealth expenditure. In 2014–15, payments totalled \$50 billion (Australian Government, Budget measures: *Budget paper No. 3, 2015–16*), an increase of \$4.2 billion from 2013–14 (Australian Government, Budget measures: *Budget paper No. 3, 2013–14*).

Local government finances

Share of taxation revenue by sphere of government

Local government's taxation revenue increased by 6.1 per cent from 2013–14 to \$15.8 billion in 2014–15. Local government's taxation revenue in 2014–15 amounted to 3.5 per cent of all taxes raised across all spheres of government in Australia (Table 1-1). Taxes on property were the sole source of taxation revenue for local governments (Australian Bureau of Statistics, *Taxation Revenue, Australia, 2014–15*, ABS cat. no. 5506.0).

Table 1-1 Share of taxation revenue by source and sphere of government in 2014–15

<i>Revenue source</i>	<i>Federal %</i>	<i>State %</i>	<i>Local %</i>	<i>Total %</i>
Taxes on income	58.0	–	–	58.0
Employers payroll taxes	0.2	5.0	–	5.0
Taxes on property	–	6.6	3.5	10.1
Taxes on provision of goods and services	20.9	2.5	–	23.4
Taxes on use of goods and performance activities	1.1	2.4	–	3.5
Total	80.1	16.5	3.5	100

Notes: Figures may not add to totals due to inclusion of external territories and rounding.

– represents nil or figure rounded to zero.

Source: Australian Bureau of Statistics, *Taxation Revenue, Australia, 2014–15*, Total Taxation Revenue, ABS cat. no. 5506.0.

Local government revenue sources

In 2014–15, councils raised 89.7 per cent of their own revenue, with grants and subsidies making up the remaining 10.3 per cent (Table 1-2). Individual councils have differing abilities to raise revenue. These differing abilities may not be apparent when considering national or even state averages. The differences between urban, rural and remote councils including their population size, rating base and ability to levy user charges, affects the ability of a council to raise revenue.

Table 1-2 Local government revenue sources by jurisdiction in 2014–15

Revenue source		NSW	Vic	Qld	WA	SA	Tas	NT	Total
Own-source revenue									
Taxation	\$m	3987	4468	3480	1996	1372	363	113	15 779
	%	32.8	47.5	30.4	41.8	61.0	40.4	27.4	38.2
Sales of goods and services	\$m	4217	1685	3627	1032	403	163	93	11 221
	%	34.7	17.9	31.7	21.6	17.9	18.2	22.6	27.1
Interest	\$m	311	88	286	117	23	15	9	849
	%	2.6	0.9	2.5	2.4	1.0	1.7	2.2	2.1
Other*	\$m	2379	2100	3184	1008	173	235	131	9210
	%	19.6	22.3	27.8	21.1	7.7	26.2	31.8	22.3
Total own-source revenue		10 894	8341	10 577	4153	1971	776	346	37 059
Grants and subsidies	\$m	1245	1071	869	627	277	123	66	4277
	%	10.3	11.4	7.6	13.1	12.3	13.7	16.0	10.3
Total grant revenue		1245	1071	869	627	277	123	66	4277
Total revenue	\$m	12 140	9412	11 446	4780	2248	898	412	41 336
	%	100	100	100	100	100	100	100	100

Notes: Figures may not add to totals due to inclusion of external territories and rounding.

* Other revenue relates to items that are not recurrent and are not generated by the ordinary operations of the organisation, including items such as parking and other fines, rental incomes, insurance claims and revaluation adjustments.

Source: Australian Bureau of Statistics, *Government Finance Statistics, Australia, 2014–15*, ABS cat. no. 5512.0.

Local government revenue – taxes

One way local governments raise taxes is through rates on property. In 2014–15, 38.2 per cent of local government revenue nationally came from rates. The proportion of revenue from rates varied notably between jurisdictions – from a high of 61 per cent for South Australia to a low of 27.4 per cent for the Northern Territory – and 22.3 per cent of local government revenue was classified as ‘other’ (Table 1-2).

Rates in each state and the Northern Territory are based on a land valuation. However, methods for assessing land value differ significantly between states. New South Wales rates are based on the unimproved value of the land. In Victoria and South Australia, different valuation assessments are used depending on the type or primary use of the land.

Local government revenue – other non-grant revenue sources

On average, local government received 27.1 per cent of its revenue in 2014–15 from the sale of goods and services (Table 1-2).

Councils in the Northern Territory relied more on government grants and subsidies than councils in other jurisdictions, as they raised only 84 per cent of their own revenue. In the remaining states, the proportion of revenue raised from own sources ranged from 86.3 per cent for Tasmanian councils to 92.4 per cent for Queensland councils (Table 1-2).

Local government expenditure

Local government expenditure is dominated by housing and community amenities (23.8 per cent) followed by transport and communication (22.5 per cent) and general public services (17.2 per cent) (Table 1-3).

Table 1-3 Local government expenditure by purpose and jurisdiction in 2014–15

<i>Expenditure</i>		<i>NSW</i>	<i>Vic</i>	<i>Qld</i>	<i>WA</i>	<i>SA</i>	<i>Tas</i>	<i>NT</i>	<i>Total</i>
Agriculture, forestry and fishing	\$m	1	3	17	0	10	0	0	32
	%	–	–	0.2	–	0.5	–	–	0.1
Education	\$m	57	106	2	4	–	–	4	173
	%	0.6	1.4	–	0.1	–	–	0.9	0.5
Fuel and energy	\$m	–	–	3	3	11	–	1	17
	%	–	–	–	0.1	0.5	–	0.2	0.1
General public services	\$m	1478	1256	2108	516	131	137	163	5789
	%	14.3	16.5	24.0	13.9	6.5	20.2	35.7	17.2
Health	\$m	69	159	44	64	68	11	3	417
	%	0.7	2.1	0.5	1.7	3.4	1.6	0.7	1.2
Housing and community amenities	\$m	2827	1615	2153	626	538	143	90	7991
	%	27.3	21.2	24.5	16.9	26.6	21.1	19.7	23.8
Mining, manufacturing and construction	\$m	199	–	69	38	37	–	–	342
	%	1.9	–	0.8	1.0	1.8	–	–	1.0
Other economic affairs	\$m	339	386	198	117	104	30	29	1204
	%	3.3	5.1	2.3	3.2	5.1	4.4	6.3	3.6
Public debt transactions	\$m	246	71	341	32	35	5	1	730
	%	2.4	0.9	3.9	0.9	1.7	0.7	0.2	2.2
Public order and safety	\$m	323	169	131	131	42	7	20	825
	%	3.1	2.2	1.5	3.5	2.1	1.0	4.4	2.5
Recreation and culture	\$m	1474	1409	948	835	463	117	59	5304
	%	14.2	18.5	10.8	22.5	22.9	17.2	12.9	15.8
Social security and welfare	\$m	417	937	45	179	127	19	34	1759
	%	4.0	12.3	0.5	4.8	6.3	2.8	7.4	5.2
Transport and communications	\$m	1974	1407	2590	927	451	184	47	7580
	%	19.0	18.4	29.5	25.0	22.3	27.1	10.3	22.5
Other	\$m	960	114	133	230	7	26	7	1477
	%	9.3	1.5	1.5	6.2	0.3	3.8	1.5	4.4
Total	\$m	10 363	7632	8782	3703	2024	679	457	33 640
	%	100	100	100	100	100	100	100	100

Notes: These figures may not add to totals due to rounding.

– represents nil or figure rounded to zero.

Source: Australian Bureau of Statistics, *Government Finance Statistics, Australia, 2014–15, General expenses by purpose*, ABS cat. no. 5512.0.

Assets and liabilities

In 2014–15, local government in Australia had a net worth of \$399.2 billion, with assets worth \$419.1 billion and liabilities worth \$19.9 billion (Table 1-4 and Table 1-5).

On a state basis only councils in South Australia had a net debt position as at 30 June 2014, while all the other states had a net surplus (Table 1-5).

Table 1-4 Local government assets in 2014–15

Assets		NSW	Vic	Qld	WA	SA	Tas	NT	Total
\$m		\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Financial	Cash and deposits	1837	1464	3841	2809	47	368	167	10 533
	Advances paid	–	2	–	2	30	1	–	35
	Investments, loans and placements	7367	1641	2346	273	141	29	82	11 880
	Other non-equity assets	1263	858	1087	321	134	44	24	3731
	Equity	63	47	5382	380	62	1566	–	7502
	Total	10 532	4013	12 656	3786	414	2008	273	33 682
Non-financial	Land and fixed assets	140 922	78 060	93 682	38 716	22 523	7424	2265	383 592
	Other non-financial assets	768	826	138	72	2	25	62	1,892
	Total	141 690	78 886	93 820	38 788	22 525	7449	2327	385 484
Total assets		152 222	82 898	106 476	42 574	22 939	9457	2600	419 166

Notes: These figures may not add to totals due to rounding.

– represents nil or figure rounded to zero.

Source: Australian Bureau of Statistics, Government Finance Statistics, Australia, 2014–15, ABS cat. no. 5512.0.

Table 1-5 Local government liabilities and net worth and debt in 2014–15

	NSW	Vic	Qld	WA	SA	Tas	NT	Total
Liabilities	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Deposits held	60	197	6	43	188	9	–	502
Advances received	11	4	–	1	7	–	–	22
Borrowing	3577	1191	5841	673	438	84	9	11 813
Unfunded superannuation liability and other employee entitlements	1352	736	641	282	181	66	25	3282
Other provisions	14	76	–	5	3	25	3	127
Other non-equity liabilities	1347	780	1186	468	264	70	59	4175
Total liabilities	6360	2985	7675	1472	1080	253	96	19 921
Net worth	145 862	79 914	98 801	41 102	21 859	9204	2504	399 245
Net debt^a	–5557	–1716	–340	–2368	414	–304	–241	–10 112
Net financial worth^b	4172	1028	4982	2314	–666	1755	178	13 761

Notes: These figures may not add to totals due to rounding.

a Net debt figures are memorandum items for comparison only. They do not derive from the above calculations. Net debt is the sum of selected financial liabilities, deposits held, advances received, government securities, loans, and other borrowing; less the sum of selected financial assets, cash and deposits; advances paid; and investments, loans and placements. Net debt is a common measure of the strength of a government's financial position.

b Net financial worth is the difference between total financial assets and total liabilities.

– represents nil or figure rounded to zero.

Source: Australian Bureau of Statistics, Government Finance Statistics, Australia, 2014–15, ABS cat. no. 5512.0.



02

Financial Assistance Grant programme



History of the arrangements

Financial Assistance Grant programme funding is provided under the *Local Government (Financial Assistance) Act 1995* (Cth) (the Act), which replaced the *Local Government (Financial Assistance) Act 1986* (Cth) from 1 July 1995.

Funding from the Australian Government to local government began in 1974–75 as determined by the Commonwealth Grants Commission on an equalisation basis.

The *Local Government (Financial Assistance) Act 1986* (Cth) introduced a new indexation formula which included the Consumer Price Index and population growth. In addition, local government grants commissions were introduced to determine distributions to individual councils taking into account horizontal equalisation and a 30 per cent minimum grant principle.

The 1990 Special Premiers' Conference determined that a local road component would be provided in addition to the general purpose component from 1 July 1991. The untied local road component was introduced to replace specific purpose funding for local roads provided under the *Australian Land Transport Development Act 1988* (Cth). The local road formula, agreed to by all Premiers, is intended to help local government with the cost of maintaining local roads.

The Act introduced the untied local road component and formalised a set of National Principles. Each local government grants commission must consider the National Principles when determining allocations to local governing bodies. Further information on the National Principles is provided in Appendix A.

The objectives of the general purpose component include improving the capacity of local governments to provide their communities with an equitable level of services and increasing the efficiency and effectiveness of local government. The objective of the identified road component includes distribution for road expenditure and road asset preservation, on the basis of the relative needs of each local governing body.

Both components are paid quarterly to the states and territories to be passed on to local government without delay. The Financial Assistance Grant programme is untied in the hands of local government, which means local governments are free to spend the funding according to local priorities.

Table 2-5 shows funding under the Financial Assistance Grant programme since the introduction of the general purpose component in 1974–75 and the local road component in 1991–92.

Overview of current arrangements

The following arrangements operated when determining the 2014–15 funding distribution under the Financial Assistance Grant programme to local government:

- Before the start of the financial year, the Australian Government estimated the quantum of general purpose and local road components that local government was entitled to nationally. This is equal to the national grant entitlement for the previous financial year multiplied by the estimated escalation factor of changes in population and the Consumer Price Index.
- States and territories were advised of their estimated quantum of general purpose and local road components, calculated in accordance with the Act.
- Local government grants commissions in each state and the Northern Territory recommended to their local government minister the distribution of the general purpose and local road components among local governing bodies in their jurisdiction. The Australian Capital Territory does not have a local government grants commission, because the territory government provides local government services in lieu of having a system of local government.
- State and Northern Territory local government ministers forwarded the recommendations of the local government grants commission in their jurisdiction to the Australian Government Minister (the Minister) responsible for local government.
- When satisfied that all legislative requirements have been met, the Minister approves payment of the recommended allocations to local governing bodies in that jurisdiction.
- The Australian Government pays the grant in quarterly instalments to the states and territories, which, without undue delay, pass them on to local government as untied grants.
- When updated changes in the Consumer Price Index and population become available toward the end of the financial year, an actual escalation factor is calculated and the actual grant entitlement is determined.
- Any difference between the estimated and actual entitlements is combined with the estimated entitlement in the next year to determine that year's cash payment. This is referred to as the adjustment.

Determining the quantum of the grant

Section 8 of the Act specifies the formula that the Treasurer of the Commonwealth (the Treasurer) is to apply each year to calculate the escalation factors used to determine the funding under the Financial Assistance Grant programme. The escalation factors are based on changes in the Consumer Price Index and population.

The Act provides the Treasurer with discretion to increase or decrease the escalation factors in special circumstances. When applying this discretion, the Treasurer is required to have regard to the objects of the Act (below) and any other matter the Treasurer thinks relevant. The same escalation factor is applied to both the general purpose and local road components.

Objects of the Act

Section 3(2) of the Act states the objects as follows.

The Parliament of Australia wishes to provide financial assistance to the states for the purposes of improving:

- (a) the financial capacity of local governing bodies; and
- (b) the capacity of local governing bodies to provide their residents with an equitable level of services; and
- (c) the certainty of funding for local governing bodies; and
- (d) the efficiency and effectiveness of local governing bodies; and
- (e) the provision by local governing bodies of services to Aboriginal and Torres Strait Islander communities.

Pause on indexation

In the 2014–15 Budget, the Australian Government announced that the indexation applied to the Financial Assistance Grant programme would be paused for three years (2014–15 to 2016–17). Funding under the Financial Assistance Grant programme will remain at \$2.3 billion each year from 2014–15 to 2016–17 as a result of this measure. State and territory allocations will continue to fluctuate in line with changes in population estimates provided annually by the Australian Bureau of Statistics.

The impact of the pause will not be known until the end of the pause period. However, while the funding pool will remain constant, fluctuations in populations will affect state and territory allocations each year. In line with the objectives of the Act, funding continues to be provided to all councils including minimum grant councils. Local government grants commissions continue to apply the horizontal equalisation principle that supports needier councils, including rural and remote councils.

Determining entitlements for 2014–15 and 2015–16

Calculation of the 2014–15 actual entitlement and the 2015–16 estimated entitlement using the final escalation factor (the final factor) and estimated escalation factor (the estimated factor) respectively are set out in Table 2-1 and Table 2-2.

The estimated entitlement for 2014–15 was \$2.3 billion. This comprised \$1.6 billion under the general purpose component and \$703.4 million under the identified local road component (Table 2-1).

The 2014–15 final factor was calculated using the Consumer Price Index for the year ending March 2015 and revised population growth figures to December 2013.

In June 2015, the former Deputy Prime Minister and Minister for Infrastructure and Regional Development, the Hon Warren Truss MP, announced the Australian Government's decision to bring forward two quarters of the 2015–16 estimate into 2014–15. This resulted in payments of \$1.1 billion to jurisdictions for immediate distribution to local government. This early payment was made to ensure councils were able to continue to provide important

services to their communities and have early access to funding for critical infrastructure projects. The \$1.1 billion included a general purpose component of \$792.6 million and a local road component of \$351.7 million. The brought forward payment was provided for under amendments made to the Act in 2009. Brought forward payments have been provided in each Budget from 2009–10 to 2013–14.

The final factor for 2014–15 of 2.9797 resulted in the 2014–15 actual entitlement being \$3.4 billion, comprising \$2.4 billion under the general purpose component and \$1.1 billion under the identified local road component (Table 2-1). As the 2014–15 actual entitlement was more than the 2014–15 estimated entitlement, a negative adjustment of \$35 683 was applied to the estimated entitlement in the following year (2015–16). The negative adjustment of \$35 683 from 2014–15 to 2015–16 is a result of rounding inherent to the Treasurer's Determination. As required under the Act, the Treasurer's Determination is calculated to four decimal places. A minor adjustment is expected to occur in each year affected by the indexation pause.

The 2015–16 estimated factor was calculated using the projected Consumer Price Index for the year ending March 2016 and revised population growth figures to December 2014.

The estimated factor for 2015–16 of 0.3333 resulted in the estimated entitlement for 2015–16 being \$1.1 billion, comprising \$792.5 million under the general purpose component and \$351.7 million under the local road component (Table 2-2).

Under the Act, population estimates are applied to the estimated and final entitlements. As such, jurisdictions experiencing a negative population change from one year to the next may receive a declining share of the general purpose component. In 2014–15, the following jurisdictions experienced a decreasing population share: Queensland, Western Australia, South Australia, Tasmania, Northern Territory and the Australia Capital Territory.

Table 2-1 Actual entitlements and adjustments for 2014-15

	2013-14 actual entitlement	2014-15 final factor	2014-15 actual entitlement	2014-15 estimated entitlement	2014-15 early payment	2014-15 adjustment
	\$		\$	\$	\$	\$
General purpose	798 026 429	x	2 9797 =	1 585 269 379	less 792 634 689	= -24 717
Local road	354 107 812	x	2 9797 =	703 430 675	less 351 715 338	= -10 966
Total	1 152 134 241	x	2 9797 =	2 288 700 054	less 1 144 350 027	= -35 683
General purpose	31 Dec 2013 population					
NSW	256 092 083		7 465 497	507 579 529	less 253 601 909	= 657 703
Vic	197 872 181		5 790 990	393 729 711	less 197 287 319	= -439 751
Qld	160 552 017		4 690 910	318 935 215	less 159 338 873	= 148 315
WA	86 333 297		2 550 874	173 434 056	less 87 227 861	= -1 239 711
SA	57 869 530		1 677 250	114 036 315	less 56 649 190	= 491 930
Tas	17 841 132		513 955	34 943 827	less 17 257 300	= 257 505
NT	8 305 092		242 573	16 492 551	less 8 269 069	= 80 763
ACT	13 161 097		384 147	26 118 175	less 13 003 168	= 18 529
Total	798 026 429		23 316 196	1 585 269 379	less 792 634 689	= -24 717
Local road	2014-15 final factor					
NSW	102 737 788	x	2 9797 =	204 087 313	less 102 043 656	= -3 182
Vic	73 004 223	x	2 9797 =	145 021 962	less 72 510 981	= -2 260
Qld	66 346 830	x	2 9797 =	131 797 136	less 65 898 568	= -2 055
WA	54 143 605	x	2 9797 =	107 555 584	less 53 777 792	= -1675
SA	19 460 622	x	2 9797 =	38 658 279	less 19 329 140	= -604
Tas	18 765 211	x	2 9797 =	37 276 854	less 18 638 427	= -682
NT	8 294 913	x	2 9797 =	16 477 739	less 8 238 870	= -257
ACT	11 354 620	x	2 9797 =	22 555 808	less 11 277 904	= -351
Total	354 107 812	x	2 9797 =	703 430 675	less 351 715 338	= -10 966

Note: Bring forward amounts are included in the year in which they are entitled.

Source: Department of Infrastructure and Regional Development.

Table 2-2 Estimated entitlements and actual cash paid for 2014-15

	2014-15 actual entitlement	2015-16 estimated factor	2015-16 estimated entitlement	2014-15 adjustment	2014-15 early payment	2015-16 actual cash payable				
	\$		\$	\$	\$	\$				
General purpose	2 377 879 350	x	0.3333 =	792 547 188	plus	-24 717	plus	792 634 689	=	1 585 157 160
Local road	1 055 135 046	x	0.3333 =	351 676 511	plus	-10 966	plus	351 715 338	=	703 380 883
Total	3 433 014 396	x	0.3333 =	1 144 223 699	plus	-35 683	plus	1 144 350 027	=	2 288 538 043
General purpose				31 Dec 2014 population						
NSW	761 839 141		7 565 497	253 828 098	plus	657 703	plus	253 601 909	=	508 087 710
Vic	590 577 279		5 886 436	197 494 342	plus	-439 751	plus	197 287 319	=	394 341 910
Qld	478 422 402		4 750 513	159 383 273	plus	148 315	plus	159 338 873	=	318 870 461
WA	259 422 206		2 581 250	86 602 873	plus	-1 239 711	plus	87 227 861	=	172 591 023
SA	171 177 435		1 691 503	56 751 194	plus	491 930	plus	56 649 190	=	113 892 314
Tas	52 458 632		515 235	17 286 521	plus	257 505	plus	17 257 300	=	34 801 326
NT	24 842 383		244 265	8 195 274	plus	80 763	plus	8 269 069	=	16 545 106
ACT	39 139 872		387 640	13 005 613	plus	18 529	plus	13 003 168	=	26 027 310
Total	2 377 879 350		23 622 339	792 547 188	plus	-24 717	plus	792 634 689	=	1 585 157 160
Local road				2015-16 estimated factor						
NSW	306 127 787	x	0.3333 =	102 032 391	plus	-3182	plus	102 043 656	=	204 072 865
Vic	217 530 683	x	0.3333 =	72 502 977	plus	-2260	plus	72 510 981	=	145 011 698
Qld	197 693 649	x	0.3333 =	65 891 293	plus	-2055	plus	65 898 568	=	131 787 806
WA	161 331 700	x	0.3333 =	53 771 856	plus	-1675	plus	53 777 792	=	107 547 973
SA	57 986 815	x	0.3333 =	19 327 006	plus	-604	plus	19 329 140	=	38 655 542
Tas	55 914 699	x	0.3333 =	18 636 369	plus	-582	plus	18 638 427	=	37 274 214
NT	24 716 352	x	0.3333 =	8 237 960	plus	-257	plus	8 238 870	=	16 476 573
ACT	33 833 361	x	0.3333 =	11 276 659	plus	-351	plus	11 277 904	=	22 554 212
Total	1 055 135 046	x	0.3333 =	351 676 511	plus	-10 966	plus	351 715 338	=	703 380 883

Note: Bring forward amounts are included in the year in which they are entitled. | Source: Department of Infrastructure and Regional Development.

Figure 2-1 Determining the final factor for 2014–15

Under section 8 of the *Local Government (Financial Assistance) Act 1995* (Cth) (the Act), the unadjusted factor for 2014–15 was calculated as follows:

$$\text{Unadjusted factor} = \frac{\text{Population of Australia at 31 Dec 2013}}{\text{Population of Australia at 31 Dec 2012}} \times \frac{\text{Consumer Price Index at March 2015}}{\text{Consumer Price Index at March 2014}}$$

That is:

$$\text{Unadjusted factor} = \frac{23\,292\,176}{22\,920\,065} \times \frac{106.8}{105.4} = 1.0297$$

In order to account for the Australian Government's decision to pause indexation for the three years from 1 July 2014 and the Australian Government's decision to bring forward the first two quarter payments in 2015–16 to the 2014–15 financial year, the unadjusted factor was adjusted in accordance with section 8(1)(c) of the Act as follows:

$$\text{Adjustment factor} = \frac{\text{2014–15 adjustment amount} + \text{2015–16 adjustment amount}}{\text{2013–14 final entitlement}} \times \frac{1}{\text{Unadjusted factor}}$$

That is:

$$\text{Adjustment factor} = \frac{2\,288\,700\,054 + 1\,144\,350\,027}{1\,152\,134\,240} \times \frac{1}{1.0297} = 2.8938$$

Therefore, the final factor for 2014–15 was determined through the multiplication of the unadjusted factor and the adjustment factor as follows:

$$\text{Final factor} = \text{unadjusted factor (1.0297)} \times \text{adjustment factor (2.8938)} = 2.9797$$

Figure 2-2 Determining the estimated factor for 2015-16

Under section 8 of the *Local Government (Financial Assistance) Act 1995 (Cth)* (the Act), the unadjusted factor for 2015-16 was calculated as follows:

$$\text{Unadjusted factor} = \frac{\text{Population of Australia at 31 Dec 2014}}{\text{Population of Australia at 31 Dec 2013}} \times \frac{\text{Consumer Price Index at March 2016}}{\text{Consumer Price Index at March 2015}}$$

That is:

$$\text{Unadjusted factor} = \frac{23\,622\,339}{23\,292\,176} \times \frac{109.8}{106.8} = 1.0427$$

In order to account for the Australian Government's decision to pause indexation for the three years from 1 July 2014 and the Australian Government's decision to bring forward the first two quarterly payments in 2015-16 to the 2014-15 financial year, the unadjusted factor was adjusted, in accordance with paragraph 8(1)(c) of the Act, as follows:

$$\text{Adjustment factor} = \frac{\text{2015-16 adjustment amount} - \text{2014-15 adjustment amount}}{\text{2014-15 final entitlement}} \times \frac{1}{\text{Unadjusted factor}}$$

That is:

$$\text{Adjustment factor} = \frac{2\,288\,700\,054 - 1\,144\,350\,027}{3\,433\,050\,081} \times \frac{1}{1.0427} = 0.3197$$

Therefore, the estimated factor for 2015-16 was determined through the multiplication of the unadjusted factor and the adjustment factor as follows:

$$\text{Estimated factor} = \text{unadjusted factor (1.0427)} \times \text{adjustment factor (0.3197)} = 0.3333$$

Variations in reported grants

At the beginning of each financial year, the quantum of the grant to local government is estimated using the estimated factor, which is based on forecasts of the Consumer Price Index and population changes for the year.

At the end of each financial year, the actual or final grant for local government is calculated using the final factor, which is based on updated Consumer Price Index and population figures.

Invariably there is a difference between the estimated and actual grant entitlements due to the differences in the estimated and final factors. This difference is combined with the estimated entitlement in the following financial year to provide the actual cash payment for the next year.

Consequently, there are three ways in which funding provided under the Financial Assistance Grant programme can be reported: an estimated entitlement, an actual entitlement and the actual cash paid.

Inter-jurisdictional distribution of grant

The Act specifies that the general purpose component is to be divided among the jurisdictions on a per capita basis. The distribution is based on the Australian Bureau of Statistics' estimate of each jurisdiction's and Australia's population as at 31 December of the previous year.

By contrast, each jurisdiction's share of the local road component is fixed. The distribution is based on shares determined from the former tied grant arrangements and agreed by all Premiers at the 1990 Special Premiers' Conference (see 'History of the Interstate Distribution of Local Road Grants' in the 2001–02 Local Government National Report). Therefore, the local road share for each state and territory is determined by multiplying the previous year's funding by the estimated factor as determined by the Treasurer.

Table 2-3 shows the allocation of the actual entitlement for 2014–15 among jurisdictions. Table 2-4 shows the allocation of the estimated entitlement for 2015–16 among jurisdictions and the percentage change in the grant from 2014–15 to 2015–16.

Table 2-3 2014-15 allocations of general purpose and local road grants

State	General purpose (GP)				Local road (LR)				Total grant		
	GP actual entitlement \$	% of total GP pool	31 Dec 2013 population	\$ per capita	LR actual entitlement \$	% of LR pool	Kilometres	% of LR length	\$ per km	Total actual entitlement \$	% of total grant
NSW	761 839 141	32.04	7 465 497	102.05	306 127 787	29.01	146 184	22.08	2094.13	1 067 966 928	31.11
Vic	590 577 279	24.84	5 790 990	101.98	217 530 683	20.62	129 880	19.61	1674.86	808 107 962	23.54
Qld	478 422 402	20.12	4 690 910	101.99	197 693 649	18.74	153 207	23.14	1290.37	676 116 051	19.69
WA	259 422 206	10.91	2 550 874	101.70	161 331 700	15.29	127 797	19.30	1262.41	420 753 906	12.26
SA	171 177 435	7.20	1 677 250	102.06	57 986 815	5.50	77 924	11.77	744.15	229 164 250	6.68
Tas	52 458 632	2.21	513 955	102.07	55 914 699	5.30	14 260	2.15	3921.09	108 373 331	3.16
NT	24 842 383	1.04	242 573	102.41	24 716 352	2.34	12 957	1.96	1907.57	49 558 735	1.44
ACT	39 139 872	1.65	384 147	101.89	33 833 361	3.21	n/a	-	-	72 973 233	2.13
Total	2 377 879 350	100.00	23 316 196*	101.98	1 055 135 046	100.00	662 208	100.00	1593.36	3 433 014 396	100.00

Notes: Australian Bureau of Statistics, Australian Demographic Statistics, December 2012, ABS cat.no. 3101.0.

* Excludes other territories comprising Jervis Bay Territory, Christmas Island and the Cocos (Keeling) Islands.

Source: Department of Infrastructure and Regional Development.

Table 2-4 2015–16 allocation and percentage change from 2014–15 allocation

State	General purpose (GP)					Local road (LR)					Total grant			
	GP estimated entitlement \$	% change from 2014–15 actual grant	% of total GP pool	31 Dec 2014 population	\$ per capita	LR estimated entitlement \$	% change from 2014–15 actual grant	% of LR pool	Kilometres	% of LR length	\$ per km	Total 2013–14 estimated entitlement \$	% change from 2014–15 actual grant	% of total grant
NSW	253 828 098	-66.68	32.03	7 565 497	33.55	102 032 391	-66.67	29.01	146 184	22.08	697.97	355 860 489	-66.68	31.10
Vic	197 494 342	-66.56	24.92	5 886 436	33.55	72 502 977	-66.67	20.62	129 880	19.61	558.23	269 997 319	-66.59	23.60
Qld	159 383 273	-66.69	20.11	4 750 513	33.55	65 891 293	-66.67	18.74	153 207	23.14	430.08	225 274 566	-66.68	19.69
WA	86 602 873	-66.62	10.93	2 581 250	33.55	53 771 856	-66.67	15.29	127 797	19.30	420.76	140 374 729	-66.64	12.27
SA	56 751 194	-66.85	7.16	1 691 503	33.55	19 327 006	-66.67	5.50	77 924	11.77	248.02	76 078 200	-66.80	6.65
Tas	17 286 521	-67.05	2.18	515 235	33.55	18 636 369	-66.67	5.30	14 260	2.15	1306.90	35 922 890	-66.85	3.14
NT	8 195 274	-67.01	1.03	244 265	33.55	8 237 960	-66.67	2.34	12 957	1.96	635.79	16 433 234	-66.84	1.44
ACT	13 005 613	-66.77	1.64	387 640	33.55	11 276 659	-66.67	3.21	-	-	-	24 282 272	-66.72	2.12
Total	792 547 188	-66.67	100.00	23 622 339*	33.55	351 676 511	-66.67	100.00	662 208	100.00	531.07	1 144 223 699	-66.67	100.00

Notes: Australian Bureau of Statistics, Australian Demographic Statistics, December 2013, ABS cat.no. 3101.0.

* Excludes other territories comprising Jervis Bay Territory, Christmas Island and the Cocos (Keeling) Islands.

Source: Department of Infrastructure and Regional Development.

Quantum of financial assistance grant allocations

Table 2-5 shows cash payments under the Financial Assistance Grant programme since the introduction of the general purpose component in 1974–75 and the identified local road component in 1991–92.

Table 2-5 National financial assistance grant allocations from 1974–75 to 2014–15

Year	General purpose (\$)	Local road (\$)	Total (\$)
1974–75	56 345 000	n/a	56 345 000
1975–76	79 978 000	n/a	79 978 000
1976–77	140 070 131	n/a	140 070 131
1977–78	165 327 608	n/a	165 327 608
1978–79	179 426 870	n/a	179 426 870
1979–80 ^a	222 801 191	n/a	222 801 191
1980–81	302 226 347	n/a	302 226 347
1981–82	352 544 573	n/a	352 544 573
1982–83	426 518 330	n/a	426 518 330
1983–84	461 531 180	n/a	461 531 180
1984–85	488 831 365	n/a	488 831 365
1985–86	538 532 042	n/a	538 532 042
1986–87	590 427 808	n/a	590 427 808
1987–88	636 717 377	n/a	636 717 377
1988–89	652 500 000	n/a	652 500 000
1989–90	677 739 860	n/a	677 739 860
1990–91	699 291 988	n/a	699 291 988
1991–92 ^b	714 969 488	303 174 734	1 018 144 222
1992–93 ^c	730 122 049	318 506 205	1 048 628 254
1993–94	737 203 496	322 065 373	1 059 268 869
1994–95	756 446 019	330 471 280	1 086 917 299
1995–96 ^d	806 748 051	357 977 851	1 164 725 902
1996–97	833 693 434	369 934 312	1 203 627 746
1997–98	832 859 742	369 564 377	1 202 424 119
1998–99	854 180 951	379 025 226	1 233 206 177
1999–2000	880 575 142	390 737 104	1 271 312 246
2000–01	919 848 794	408 163 980	1 328 012 774
2001–02	965 841 233	428 572 178	1 394 413 411
2002–03	1 007 855 328	447 215 070	1 455 070 398
2003–04	1 039 703 554	461 347 062	1 501 050 616
2004–05	1 077 132 883	477 955 558	1 555 088 441
2005–06	1 121 079 905	497 456 144	1 618 536 049
2006–07	1 168 277 369	518 399 049	1 686 676 418
2007–08	1 234 986 007	547 999 635	1 782 985 642
2008–09	1 621 289 630	719 413 921	2 340 703 551
2009–10	1 378 744 701	611 789 598	1 990 534 300
2010–11	1 446 854 689	642 012 005	2 088 866 694
2011–12	1 856 603 939	823 829 803	2 680 433 742
2012–13	1 525 571 456	676 940 950	2 202 512 406
2013–14	798 026 429	354 107 812	1 152 134 241
2014–15	2 377 879 350	1 055 135 046	3 433 014 396
Total	33 357 303 309	11 811 794 273	45 169 097 583

- Notes:
- a Grants to the Northern Territory under the programme commenced in 1979–80, with the initial allocation being \$1 061 733.
 - b Before 1991–92, local road funding was provided as tied grants under different legislation (n/a = not applicable).
 - c In 1992–93, part of the road grant entitlement of the Tasmanian and Northern Territory governments was reallocated to local government in these jurisdictions.
 - d Grants to the Australian Capital Territory under the programme commenced in 1995–96.

NB: All funding represents actual entitlements.

Source: Department of Infrastructure and Regional Development.

National Principles for the allocation of grants under the Act

The Act requires the Australian Government Minister (the Minister) to formulate National Principles in consultation with state and territory ministers for local government and a body or bodies representative of local government. The National Principles provide guidance for the states and the Northern Territory in allocating funding from the Financial Assistance Grant programme to local governing bodies within their jurisdiction. The National Principles are set out in full at Appendix A.

Determining the distribution of grants within jurisdictions

Under sections 11 and 14 of the Act, funding under the Financial Assistance Grant programme can only be paid to jurisdictions (other than the Australian Capital Territory) that have established a local government grants commission. The Australian Capital Territory does not have a local government grants commission because its government provides municipal services instead of the territory having a system of local government.

Local government grants commissions make recommendations, in accordance with the National Principles, on the quantum of funding allocated to local governing bodies under the Financial Assistance Grant programme. The state and Northern Territory governments determine the membership of, and provide resources for, their respective local government grants commissions. Further detail on the local government grants commissions is provided in Figure 2-3.

Once each local government grants commission determines the recommended allocations to local governing bodies in its jurisdiction under the Financial Assistance Grant programme, the relevant state or Northern Territory minister recommends the allocations to the Minister for approval. The Act requires the Minister to be satisfied that the state and the Northern Territory have adopted the recommendations of their local government grants commission and that they are in accordance with the Act and the National Principles.

Section 15 of the Act requires that, as a condition for paying funding under the Financial Assistance Grant programme, the states and the Northern Territory must provide the funding to local government without undue delay and without conditions, thus giving local government discretion to use the funds for local priorities.

Further, the Act requires the state and Northern Territory treasurers to give the Minister a statement detailing payments made to local governing bodies during the previous financial year, as soon as practicable after 30 June each year, including the date the payments were made. A certificate from their respective Auditor-General certifying that the statement is correct is also required.

Funding under the Financial Assistance Grant programme is paid in equal quarterly instalments. The first payment for each financial year is paid as soon as statutory conditions are met. One of the requirements of the Act is that the first payment cannot be made before 15 August.

Figure 2-3 Local government grants commissions

Section 5 of the *Local Government (Financial Assistance) Act 1995* (Cth) (the Act) specifies the criteria a body must satisfy to be recognised as a local government grants commission. These criteria state that:

- the body is established by a law of a state or the Northern Territory
- the principal function of the body is to make recommendations to the state or territory government about the provision of financial assistance to local governing bodies in the state or territory
- the Australian Government Minister is satisfied that the body includes at least two people who are or have been associated with local government in the state or territory, whether as members of a local governing body or otherwise.

Section 11 of the Act requires local government grants commissions to:

- hold public hearings in connection with their recommended grant allocations
- permit or require local governing bodies to make submissions in relation to the recommendations
- make their recommendations in accordance with the National Principles.

Legislation establishing local government grants commissions in each state and the Northern Territory:

New South Wales	<i>Local Government Act 1993</i>
Victoria	<i>Victoria Grants Commission Act 1976</i>
Queensland	<i>Local Government Act 2009</i>
Western Australia	<i>Local Government Grants Act 1978</i>
South Australia	<i>South Australian Local Government Grants Commission Act 1992</i>
Tasmania	<i>State Grants Commission Act 1976</i>
Northern Territory	<i>Local Government Grants Commission Act 1986</i>

Eligible bodies under the Financial Assistance Grant programme

All local governing bodies constituted under state and territory legislation are automatically local governing bodies. In addition, section 4(2) of the Act provides for:

a body declared by the Minister, on the advice of the relevant state minister, by notice published in the Gazette, to be a local governing body for the purposes of this Act.

In addition to the Australian Capital Territory, 570 local governing bodies, including 10 declared local governing bodies made eligible under section 4(2)(b), received funding under the Financial Assistance Grant programme in 2014–15, as at 1 July 2014.

Table 2-6 Distribution of local governing bodies by type and jurisdiction

Type	NSW	Vic	Qld	WA	SA ^c	Tas	NT ^d	Total
Local governments ^a	152	79	77	138	68	29	17	560
Declared local governing bodies ^b	3	–	–	–	6	–	1	10
Total	155	79	77	138	74	29	18	570

- Notes:
- a Local governing bodies, eligible under section 4(2)(a) of the *Local Government (Financial Assistance) Act 1995* (Cth), as they are constituted under state or territory legislation.
 - b Declared local governing bodies under section 4(2)(b) of the *Local Government (Financial Assistance) Act 1995* (Cth).
 - c Includes Outback Communities Authority established under the *Outback Communities (Administration and Management) Act 2009* (SA).
 - d Includes the Northern Territory Roads Trust Account.

Source: Department of Infrastructure and Regional Development.

Methodologies of local government grants commissions

Local government grants commissions each have their own methods for allocating funds to local government in their jurisdiction.

To allocate the general purpose component, local government grants commissions assess the amount each local government would need to be able to provide a standard range and quality of services, while raising revenue from a standard range of rates and other income sources. The local government grants commissions then develop recommendations taking into account each local governing body's assessed need. The recommended allocation of the identified local road component is based on the local government grants commissions' assessment of each local governing bodies road expenditure needs. Local government grants commissions are required to make their recommendations in line with the National Principles under the Act.

A detailed description of each local government grants commission's methodology can be found in Appendix B. Further information about local government grants commissions can be found on the following websites.

Internet addresses for local government grants commissions

Jurisdiction	Internet address
New South Wales	https://www.olg.nsw.gov.au/commissions-and-tribunals/grants-commission
Victoria	http://www.dtpli.vic.gov.au/local-government/victoria-grants-commission
Queensland	http://www qlggc.qld.gov.au/
Western Australia	https://www.dlgc.wa.gov.au/GrantsFunding/Pages/WA-LG-Grants-Commission.aspx
South Australia	http://www.dpti.sa.gov.au/local_govt/LGGC
Tasmania	https://www.treasury.tas.gov.au/domino/df/df.nsf/v-stategrants/home
Northern Territory	http://grantscommission.nt.gov.au/

Allocations to local government in 2014–15

The Australian Government Minister approved the allocations of funding under the Financial Assistance Grant programme to local governing bodies for 2014–15 as recommended by local government grants commissions through state and Northern Territory ministers. Appendix D contains the actual entitlements for 2014–15 and the estimated entitlements for 2015–16.

Table 2-7 and 2-8 provide the average general purpose allocation per capita and local road allocation per kilometre by jurisdiction and the Australian Classification of Local Governments. The results in Table 2-7 and Table 2-8 suggest there are some differences in outcomes between jurisdictions. Notwithstanding the capacity of the classification system to group similar local governing bodies, it should be noted that there remains considerable scope for divergence within these categories. For this reason, the figures should only be taken as a starting point for enquiring into outcomes. This divergence can occur because of a range of factors including isolation, population distribution, local economic performance, daily or seasonal population changes, population age and geographic differences.

Table 2-7 Average general purpose component per capita 2014–15

Classification of local governments	Jurisdiction (\$)							Average
	NSW	Vic	Qld	WA	SA	Tas	NT*	
Urban Capital City (UCC)	21.32	20.56	20.57	20.50	20.57	20.58	21.30	20.77
Urban Developed Small (UDS)	20.58	n/a	n/a	20.50	20.57	n/a	n/a	20.55
Urban Developed Medium (UDM)	20.63	n/a	n/a	20.50	20.57	n/a	n/a	20.57
Urban Developed Large (UDL)	23.79	24.07	n/a	20.50	20.57	n/a	n/a	22.23
Urban Developed Very Large (UDV)	33.28	37.28	n/a	20.50	47.31	n/a	n/a	34.59
Urban Regional Small (URS)	131.57	180.04	148.00	82.78	119.32	63.55	28.47	107.68
Urban Regional Medium (URM)	95.19	144.31	124.49	45.31	21.50	20.58	n/a	75.23
Urban Regional Large (URL)	76.75	109.93	45.25	n/a	n/a	n/a	n/a	77.31
Urban Regional Very Large (URV)	69.45	73.31	23.56	n/a	n/a	n/a	n/a	55.44
Urban Fringe Small (UFS)	n/a	77.63	93.49	n/a	34.23	69.47	21.30	59.22
Urban Fringe Medium (UFM)	39.65	35.36	58.16	24.94	20.78	20.58	n/a	33.25
Urban Fringe Large (UFL)	86.69	87.22	n/a	20.50	102.22	n/a	n/a	74.16
Urban Fringe Very Large (UFV)	41.83	60.98	n/a	20.50	33.39	n/a	n/a	39.18
Rural Significant Growth (RSG)	n/a	n/a	n/a	73.37	n/a	n/a	n/a	73.37
Rural Agricultural Small (RAS)	944.70	n/a	n/a	859.99	746.40	599.33	n/a	787.61
Rural Agricultural Medium (RAM)	493.93	666.18	1152.42	226.43	340.20	222.55	n/a	516.95
Rural Agricultural Large (RAL)	343.10	400.75	n/a	283.47	242.76	186.85	n/a	291.39
Rural Agricultural Very Large (RAV)	201.05	214.17	387.11	98.11	168.20	103.34	21.30	170.47
Rural Remote Extra Small (RTX)	499.40	n/a	5913.51	9816.46	467.27	n/a	54.67	3350.26
Rural Remote Small (RTS)	n/a	n/a	3190.89	2448.70	n/a	n/a	n/a	2819.80
Rural Remote Medium (RTM)	1424.20	n/a	1351.30	971.93	415.81	n/a	100.25	852.70
Rural Remote Large (RTL)	645.43	n/a	1403.79	248.81	375.57	n/a	231.12	580.94
Total \$ per capita	68.59	68.53	68.58	68.35	68.55	68.60	71.01	68.90

Notes: n/a means not applicable.

* Excludes the Northern Territory Trust Fund.

Source: Department of Infrastructure and Regional Development.

Table 2-8 Average local road component per kilometre 2014-15

Classification of Local Governments	Jurisdiction (\$)										Average
	NSW	Vic	Qld	WA*	SA*	Tas	NT				
Urban Capital City (UCC)	3958.52	3232.48	2641.43	4465.43	1936.81	5420.85	3579.73				3605.04
Urban Developed Small (UDS)	2547.93	n/a	n/a	2173.90	2239.18	n/a	n/a				2320.34
Urban Developed Medium (UDM)	2923.80	n/a	n/a	2207.39	2032.92	n/a	n/a				2388.04
Urban Developed Large (UDL)	2867.24	1538.90	n/a	1993.49	1930.91	n/a	n/a				2082.64
Urban Developed Very Large (UDV)	2721.60	1612.59	n/a	2068.95	1872.90	n/a	n/a				2069.01
Urban Regional Small (URS)	1406.57	1087.00	662.14	1686.93	733.94	3247.57	3699.84				1786.28
Urban Regional Medium (URM)	1642.34	1186.59	681.71	1172.25	1989.02	3707.03	n/a				1729.82
Urban Regional Large (URL)	2180.01	1298.32	874.74	n/a	n/a	n/a	n/a				1739.17
Urban Regional Very Large (URV)	2265.88	1484.83	1443.50	n/a	n/a	n/a	n/a				1875.36
Urban Fringe Small (UFS)	n/a	1293.80	669.67	n/a	759.89	2579.84	3443.77				2019.33
Urban Fringe Medium (UFM)	1903.82	1436.69	427.62	1787.47	640.53	3208.39	n/a				1567.42
Urban Fringe Large (UFL)	1845.68	1638.98	n/a	1951.26	1497.32	n/a	n/a				1733.31
Urban Fringe Very Large (UFV)	2281.13	1635.36	n/a	1917.87	1555.91	n/a	n/a				1847.57
Rural Significant Growth (RSG)	n/a	n/a	n/a	1011.28	n/a	n/a	n/a				1011.28
Rural Agricultural Small (RAS)	946.99	n/a	n/a	626.82	414.46	1910.26	n/a				974.63
Rural Agricultural Medium (RAM)	1002.83	790.44	560.97	733.65	266.18	2212.82	n/a				927.82
Rural Agricultural Large (RAL)	1037.74	637.70	n/a	1138.49	317.83	2312.55	n/a				1088.86
Rural Agricultural Very Large (RAV)	1132.53	1040.41	588.94	902.52	285.47	2323.10	3419.82				1381.83
Rural Remote Extra Small (RTX)	n/a	n/a	544.76	467.57	2069.83	n/a	881.13				990.82
Rural Remote Small (RTS)	n/a	n/a	548.26	466.23	n/a	n/a	n/a				507.25
Rural Remote Medium (RTM)	924.40	n/a	560.54	447.25	45.62	n/a	1367.79				669.12
Rural Remote Large (RTL)	948.60	n/a	563.49	794.28	n/a	n/a	873.54				794.98
Northern Territory Trust fund	n/a	n/a	n/a	n/a	n/a	n/a	670.32				670.32
Total \$ per kilometre	1396.08	1116.57	2124.13	841.60	496.09	2614.04	1271.71				1408.60

Notes: n/a means not applicable.

* Averages for all classifications in these states includes special roads grants received by local government.

Source: Department of Infrastructure and Regional Development.

Local governing bodies on the minimum grant

Local governing bodies that receive the minimum grant entitlement generally fall within the classification of capital city, urban developed or urban fringe, as described in the Australian Classification of Local Government. Local governing bodies on the minimum grant are identified with a hash (#) in Appendix D. Table 2-9 provides details of the local governing bodies on the minimum grant by jurisdiction from 2002–03 to 2014–15.

The per capita grant of these local governing bodies was between \$20 and \$21.30 in 2014–15, with slight differences between jurisdictions (see Appendix E). The differences arise from variations in population data used by the Australian Government to calculate jurisdictions' share and data used by local government grants commissions for allocations to individual local governing bodies.

The proportion of the population covered by local governing bodies on the minimum grant varies widely between jurisdictions. In 2014, the proportion ranged from 27.9 per cent in New South Wales to 75.5 per cent in Western Australia. This generally reflects the degree of concentration of a jurisdiction's population in their capital city but variations can also arise because of the geographic structure of local government and differences in the methods that local government grants commissions use.

Nationally in 2014–15, 13.2 per cent of the general purpose grant went to local governing bodies on the minimum grant. It varied from 8.4 per cent in New South Wales to 22.7 per cent in Western Australia.

Local government grants commissions determine the level of assistance that each local governing body requires to function, by reasonable effort, at a standard not lower than the average standard of other local governing bodies in that jurisdiction. In doing this, they consider the revenue-raising ability and expenditure requirements of each local governing body in the jurisdiction. Where a local governing body is on the minimum grant, its local government grants commission has determined that it requires less assistance to function, by reasonable effort, at a standard not lower than the average standard of other local governing bodies in that jurisdiction.

Over the past decade, the number of local governing bodies on the minimum grant increased from 86 in 2004–05 to 104 in 2014–15. The percentage of the population in minimum grant councils increased from 33.8 per cent in 2004–05 to 44.1 per cent in 2014–15. This has resulted in an increase in the per capita grant to non-minimum grant local governments relative to that of minimum grant local governments. This trend is consistent with the objective of the Act for horizontal equalisation.

Table 2-9 Councils on the minimum grant by jurisdiction from 2004-05 to 2014-15

	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
NSW											
\$ general purpose	358 832 105	374 443 598	385 938 812	406 050 359	422 066 453	442 758 903	463 479 161	471 413 267	489 045 833	508 608 083	508 237 232
\$ to minimum grant councils	26 481 959	27 451 347	29 279 694	30 793 666	32 070 254	33 460 548	36 160 752	37 593 617	38 999 527	41 044 913	42 527 921
% to minimum grant councils	7.4	7.3	7.6	7.6	7.6	7.6	7.8	8.0	8.0	8.1	8.4
Population per jurisdiction	6 710 408	6 749 297	6 790 811	6 854 067	6 943 884	6 983 605	7 133 854	7 232 022	7 301 607	7 289 779	7 409 856
Population for minimum grant councils	1 632 677	1 644 799	1 712 959	1 725 814	1 744 716	1 759 235	1 855 282	1 922 430	1 940 916	1 960 961	2 066 788
% of population in minimum grant councils	24.3	24.4	25.2	25.2	25.1	25.2	26.0	26.6	26.6	26.9	27.9
Minimum grant councils/No. LGBs	20/155	20/155	21/155	21/155	21/155	21/155	22/155	23/155	23/155	23/155	24/155
Vic											
\$ general purpose	266 191 972	276 987 692	289 188 062	305 906 191	319 394 720	336 060 498	354 852 579	360 195 861	375 393 290	393 135 181	393 289 960
\$ to minimum grant councils	10 883 040	13 194 313	16 041 360	13 310 089	23 450 803	27 458 066	30 577 564	30 820 330	28 328 702	33 555 381	33 587 740
% to minimum grant councils	4.1	4.8	5.6	4.4	7.3	8.2	8.6	8.6	7.6	8.5	8.5
Population per jurisdiction	4 941 398	4 992 667	5 088 427	5 163 649	5 262 390	5 313 734	5 443 134	5 545 838	5 621 116	5 632 519	5 739 228
Population for minimum grant councils	670 083	789 522	928 552	738 401	1 273 912	1 447 208	1 563 445	1 581 774	1 413 974	1 600 743	1 633 808
% of population in minimum grant councils	13.6	15.8	18.2	14.3	24.2	27.2	28.7	28.5	25.2	28.4	28.5
Minimum grant councils/No. LGBs	8/80	9/80	10/80	7/79	11/79	12/79	12/79	13/79	12/79	13/79	13/79

Councils on the minimum grant by jurisdiction from 2004–05 to 2014–15 (continued)

	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Qld											
\$ general purpose	207 097 211	217 821 826	230 151 592	244 752 786	257 092 111	272 006 416	288 922 754	290 459 015	304 750 796	319 028 016	319 083 531
\$ to minimum grant councils	34 075 645	26 940 642	25 346 303	26 876 194	27 468 884	29 098 788	30 728 757	50 601 267	62 254 683	65 533 567	65 766 311
% to minimum grant councils	16.5	12.4	11.0	11.0	10.7	10.7	10.6	17.4	20.4	20.5	20.6
Population per jurisdiction	3 844 405	3 926 210	4 049 647	4 131 389	4 242 789	4 178 232	4 421 783	4 510 510	4 576 882	4 556 416	4 653 008
Population for minimum grant councils	2 081 206	1 599 555	1 454 323	1 486 720	1 458 827	1 489 934	1 567 615	2 619 274	3 116 561	3 138 148	3 196 772
% of population in minimum grant councils	54.1	40.7	35.9	36.0	34.4	35.7	35.5	58.1	68.1	68.9	68.7
Minimum grant councils/No. LGBs	7/157	3/157	2/157	2/157	2/73	2/73	2/73	6/73	8/73	8/77	9/77
WA											
\$ general purpose	105 930 054	110 620 829	115 836 527	123 301 075	129 395 614	137 579 902	146 620 875	151 667 051	157 781 551	171 319 297	172 194 345
\$ to minimum grant councils	22 188 029	24 661 291	25 901 130	27 858 876	29 147 411	31 045 359	33 132 023	34 286 560	35 432 688	38 760 735	39 026 105
% to minimum grant councils	21.0	22.3	22.4	22.6	22.5	22.6	22.6	22.6	22.5	22.6	22.7
Population per jurisdiction	1 966 410	1 993 926	2 038 209	2 081 303	2 138 062	2 171 197	2 245 057	2 293 510	2 349 325	2 430 252	2 519 321
Population for minimum grant councils	1 363 077	1 473 011	1 498 209	1 544 602	1 581 149	1 633 126	1 691 057	1 728 272	1 758 611	1 832 803	1 903 262
% of population in minimum grant councils	69.3	73.9	73.5	74.2	74.0	75.2	75.3	75.4	74.9	75.4	75.5
Minimum grant councils/No. LGBs	28/142	30/142	30/140	31/140	31/139	31/139	31/139	31/138	30/138	31/138	31/138

Councils on the minimum grant by jurisdiction from 2004-05 to 2014-15 (continued)

	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
SA											
\$ general purpose	82 442 403	85 234 073	88 633 994	93 329 590	96 948 206	101 127 276	105 434 395	107 468 610	110 938 451	115 072 530	114 528 245
\$ to minimum grant councils	13 732 563	14 175 161	14 706 754	15 018 873	16 084 800	16 309 932	17 542 801	14 330 230	17 938 909	18 042 090	17 154 972
% to minimum grant councils	16.7	16.6	16.6	16.1	16.6	16.1	16.6	13.3	16.2	15.7	15
Population per jurisdiction	1 530 402	1 536 333	1 559 565	1 575 389	1 593 494	1 603 361	1 623 590	1 644 582	1 656 299	1 654 778	1 670 827
Population for minimum grant councils	847 861	850 511	852 943	834 072	876 276	861 778	900 691	810 045	892 807	864 995	834 042
% of population in minimum grant councils	55.4	55.4	54.7	52.9	55.0	53.8	55.5	49.3	53.9	52.3	49.9
Minimum grant councils/No. LGBs	22/74	22/74	22/74	20/74	21/74	20/74	21/74	20/74	20/74	18/74	17/74
Tas											
\$ general purpose	25 866 216	26 841 415	27 766 033	29 129 652	30 163 788	31 433 715	32 611 864	33 677 077	34 471 522	35 487 132	35 201 332
\$ to minimum grant councils	781 868	810 666	837 576	1 676 505	2 914 651	3 994 953	4 775 551	3 620 178	3 714 379	5 219 534	5 182 417
% to minimum grant councils	3.0	3.0	3.0	5.8	9.7	12.7	14.6	10.8	10.8	14.7	14.7
Population per jurisdiction	480 162	483 813	488 559	491 704	495 377	497 529	503 292	507 643	510 519	512 019	513 159
Population for minimum grant councils	48 071	48 533	48 794	93 708	158 901	210 772	245 667	181 900	183 365	251 030	251 828
% of population in minimum grant councils	10.0	10.0	10.0	19.1	32.1	42.4	48.8	35.8	35.9	49.0	49.1
Minimum grant councils/No. LGBs	1/29	1/29	1/29	2/29	3/29	4/29	5/29	4/29	4/29	5/29	5/29

Councils on the minimum grant by jurisdiction from 2004–05 to 2014–15 (continued)

	2004–05	2005–06	2006–07	2007–08	2008–09	2009–10	2010–11	2011–12	2012–13	2013–14	2014–15
NT											
\$ general purpose	10 713 889	11 142 605	11 865 377	12 590 104	13 203 569	13 880 149	14 733 572	15 224 579	15 518 239	16 449 092	16 573 314
\$ to minimum grant councils	-	1 219 197	-	1 350 251	1 772 176	2 424 889	2 555 872	3 239 988	2 714 718	2 889 253	2 938 751
% to minimum grant councils	-	10.94	-	10.72	13.42	17.47	17.35	21.28	17.49	17.56	17.7
Population per jurisdiction	198 885	200 844	208 778	212 519	217 435	212 983	218 635	220 753	223 443	227 963	233 399
Population for minimum grant councils	-	69 958	-	70 245	17 856	124 029	126 424	156 597	130 295	133 471	137 953
% of population in minimum grant councils	-	34.83	-	33.05	8.21	58.23	57.82	70.94	58.31	58.55	59.1
Minimum grant councils/No. LGBs	0/63	1/63	0/62	1/61	2/16	4/16	4/16	6/16	5/16	5/16	5/18
Australia											
\$ general purpose	1 057 073 850	1 103 092 038	1 149 380 397	1 215 059 757	1 268 264 461	1 334 846 859	1 406 655 200	1 430 105 460	1 487 899 682	1 559 099 331	1 559 107 959
\$ to minimum grant councils	108 143 104	108 452 617	112 112 817	116 884 454	132 908 979	143 792 535	155 473 320	174 492 170	189 383 606	205 045 473	206 184 217
% to minimum grant councils	10.2	9.8	9.8	9.6	10.5	10.8	11.1	12.2	12.7	12.7	13.2
Population per jurisdiction	19 672 070	19 883 090	20 223 996	20 510 020	20 893 431	20 960 641	21 589 345	21 954 858	22 239 191	22 303 726	22 738 798
Population for minimum grant councils	6 642 975	6 475 889	6 495 780	6 493 562	7 111 637	7 526 082	7 950 181	9 000 292	9 436 529	9 782 151	10 024 453
% of population in minimum grant councils	33.8	32.6	32.1	31.7	34.4	35.9	34.3	41.0	42.4	43.1	44.1
Minimum grant councils/No. LGBs	86/700	86/700	86/697	84/695	91/565	94/565	97/565	103/564	102/564	97/568	104/570

Note: The Northern Territory Road Trust is not included as it does not receive an allocation under the general purpose component. LGB: Local governing bodies.

Source: Department of Infrastructure and Regional Development.

Council changes

During 2014–15, the number of local governing bodies in the Northern Territory increased with Victoria Daly Regional Council de-amalgamating into two councils; these being the Victoria Daly Regional Council and the West Daly Regional Council. These new entities commenced operations on 1 July 2014.

Comparing councils

Councils often compare the grant they receive to that of other councils and assume that if another council gets a similar-sized grant, then both councils have been assessed as having a similar relative need. Such an assumption can be incorrect.

In determining the allocation of the general purpose and the local road components to councils, local government grants commissions implicitly determine a ranking for each council in their state on the basis of relative need. A comparison of councils on the basis of relative need is preferred to a comparison on the basis of the actual grant they receive. To compare relative need, analysis of the grant per capita under the general purpose component is provided in Appendix E. For the local road component, allocations for each council is divided by their length of local road to obtain a relative expenditure needs measure. In Tables E-1 to E-7 (Appendix E), councils within a state are sorted on the value of the general purpose allocation per capita and the local road allocation per kilometre.

Councils are ranked from the greatest assessed relative need to the least assessed relative need. For each state and the Northern Territory, the position of the average general purpose allocation per capita and the average local road allocation per kilometre are highlighted within the ranking of councils. These state averages are taken from Table 2-7 and 2-8.

Councils should use these rankings when comparing their allocations under the Financial Assistance Grant programme with other councils in their state. For instance, Appendix D shows that in Victoria for 2014–15 under the general purpose component, Banyule City Council received \$3 648 663 while Frankston City Council received \$7 580 174. This translates to each person in Banyule being allocated \$29.31 per capita, while in Frankston it is \$56.75 per capita. This suggests that while the two councils have similar populations and similar locations, the Victoria Grants Commission has assessed Frankston City as having the greater relative need. Frankston City Council is ranked 57th in Appendix E among Victoria's councils for the general purpose component while Banyule City Council is ranked 64th.

Reviews of local government grants commission methodologies

Local government grants commissions monitor outcomes and refine aspects of their allocation methodologies to be in line with the National Principle requirements of the Act. From time to time local government grants commissions review their methodologies.

Since the Act commenced in July 1995, most local government grants commissions have undertaken major reviews of their methodologies, are undertaking such examinations or have such activities planned. Table 2-10 provides the status of jurisdictional reviews as at 30 June 2015.

The need to review methodologies was reinforced by the 2001 Commonwealth Grants Commission review of the operations of the Act. The review identified the need for each local government grants commission to revise their methodologies to achieve consistency with the principles of relative need, other grant support and Aboriginal peoples and Torres Strait Islanders (Commonwealth Grants Commission 2001).

Table 2-10 Status of most recent major methodology reviews by state

State	General purpose grants	Local road grants
NSW	No changes to methodology. KPMG commenced a review of the methodology in early 2015, with a final report expected by the end of 2015. In 2013–14, strategies to improve outcomes to smaller rural communities, generally those with resident populations below 10 000, were put in place.	No changes to methodology.
Vic	No changes to methodology.	No changes to methodology.
Qld	No changes to methodology.	No changes to methodology.
WA	No changes to methodology since the last major review which was implemented for 2012–13 grant determinations. Expenditure and revenue standard equations were updated for new data inputs.	No changes to methodology.
SA	No changes to methodology. Annual data updates are incorporated into the grant recommendations. Specific recommendations from the KPMG review to be implemented in 2015–16.	No changes to methodology.
Tas	No changes to methodology. The next major review is scheduled for introduction in 2015–16.	No changes to methodology.
NT	No changes to methodology.	Road funding methodology was reviewed in 2012–13 and 2013–14. Implementation began in 2014–15.

Source: Department of Infrastructure and Regional Development.

Impact of local government grants commission capping policies

Year-to-year variations in the data that local government grants commissions use to determine their allocations can lead to significant fluctuations in funding provided to individual local governing bodies. As unexpected changes in annual funding allocations can impede efficient planning by local governing bodies, local government grants commissions have adopted policies to ensure changes are not unacceptably large from one year to the next.

Many local government grants commissions average the data of several years to reduce fluctuations. Nevertheless, policies to limit changes by capping increases or decreases are used to limit year-to-year variations.

No local governing body receives less than the minimum grant, so local governing bodies on the minimum grant are exempt from capping. In some circumstances, a local government grants commission may decide a local governing body's allocation should not be capped. Usually, this is to allow a larger grant increase than would otherwise be possible.



03

Local government efficiency and performance



Under section 16 of the *Local Government (Financial Assistance) Act 1995* (Cth) (the Act), an annual report must be made to the Australian Parliament on the operations of the Act. The report must include an assessment based on comparable national data of the performance of local governments, including their efficiency.

Previous Local Government National Reports have identified the difficulty of basing an assessment on comparable national data, due in large part to the different arrangements each jurisdiction uses to collect and report on local government performance.

Each year jurisdictions are asked to report on measures undertaken to improve local government efficiency and performance. These reports are provided at Appendix B.

Developments in long-term financial and asset management plans

Jurisdictions provided reports on their activities in the implementation and management of long-term financial and asset management plans by local government during 2014–15. A summary of the progress for each jurisdiction follows.

All councils in **New South Wales** report under an integrated planning and reporting framework. This framework is designed to improve councils' strategic community planning, including long-term financial and asset management planning, as well as streamline reporting to the community. The framework requires councils to prepare the following plans:

- Community engagement strategy
- Community strategic plan – 10-Year + timeframe
- Delivery program – four-year timeframe
- Operational plan – one-year timeframe
- Resourcing strategy – including a long-term financial plan (10 years+), asset management policy, strategy and plans (10-years+), and workforce management strategy (four-years).

Victoria introduced the *Local Government (Planning and Reporting) Regulations 2014* (Vic) to provide greater standardisation in the planning and reporting of Victorian councils. Key strategic documents such as the annual budget, strategic resource plan including statutory financial statements must now be presented in accordance with the Local Government Model Financial Report. This model report is updated and issued annually. The inclusion of a four-year capital works programme, including funding sources and classification of works into renewal, upgrade, enhancement or new, further enhances the long-term financial planning of councils.

Local Government Victoria issued a revised *Best practice guidance in asset management practices* in 2015. A key feature of this publication is its alignment with the *Institute of Public*

Works Engineering Australasia asset infrastructure financial management manual and commitment to participating in national benchmarking.

All **Queensland** local governments are required to have long-term financial forecasts covering at least 10 years and to update these forecasts annually. To help local governments comply with this requirement, Queensland maintains a Local Government Forecast Model which was updated in September 2014 to incorporate improved features including the ability to undertake scenario modelling. A workshop series was conducted around Queensland to inform, educate and assist local governments in the appropriate use and features of the model.

Financial and asset management planning and implementation have been identified as areas in which **Western Australian** local governments require support and assistance in improving the accuracy of asset condition and useful life data. To address these challenges, the Western Australian Government has implemented a four-year project to support up to 80 country local governments to assess their current asset and financial management processes. The Western Australian Government has engaged asset management consultants to work with local governments on the project and provide training, mentoring and guidance. In 2014–15, 39 country local governments participated in the National Asset Management Assessment Framework and Asset Condition Rating Project.

Each one of **South Australia's** 68 local governments is required to develop and adopt long-term financial, infrastructure and asset management plans, each covering a period of at least 10 years. In support of this work, the Local Government Association of South Australia provides advice and assistance to the sector through its ongoing Financial Sustainability Program.

After extensive consultation with the local government sector in 2013, **Tasmania** legislated long-term financial and strategic asset management planning for Tasmanian councils, as well as other related financial and asset management initiatives. The Tasmanian Auditor-General has been monitoring compliance with the legislative requirements. The Auditor-General's findings indicate that since the introduction of mandatory long-term financial and asset management planning, there has been a noteworthy improvement in the financial and asset management performance of local government in Tasmania.

In 2014–15, the **Northern Territory** entered into a three-year agreement with the Local Government Association of the Northern Territory to provide assistance with best practice asset management guidance to councils.

The **Australian Capital Territory** Government during 2014–15 continued to plan, manage and review capital works projects under Capital Framework. The Territory has begun a policy implementation review to assess the success of Capital Framework and any lessons learned since its introduction in 2013. The outcomes of this review will be used to enhance and refine Capital Framework.

Performance measures between local governing bodies

All local governments have a legislative requirement to report on their performance. These reports may be in the form of annual reports, performance statements, financial statements and/or strategic planning reports.

While not all performance information is publicly available, some jurisdictions provide a comparative analysis of local governments under their jurisdiction. This information is collected by either the responsible agency or by local government grants commissions.

For this National Report, state and territory governments and local government associations were asked to report on measures undertaken in 2014–15 to develop and implement comparative local government performance indicators. A summary of these reports for each jurisdiction follows.

In 2014–15, **New South Wales** produced *2013–14 Comparative information on New South Wales local government councils* which contains a range of performance indicators. The 2013–14 publication includes a whole of sector overview as well as a two-page snapshot of each council and incorporates relevant high level demographic and socio-economic indicators for each local government area. The 2013–14 publication features more user-friendly and informative modes of presenting council data. At the same time, New South Wales is undertaking further work to develop a new local government performance measurement framework. In late 2013, a discussion paper was issued as part of the first stage of council and public consultation on a new approach to performance measurement. A more detailed outline of the proposed framework and a set of draft indicators for further consultation is being prepared.

In **Victoria**, 2014–15 was the first year all 79 councils had to report on a range of performance indicators, following the introduction of a new, compulsory performance reporting framework. Over the year, councils collected data on indicators across 11 service areas including financial performance and sustainable capacity. Of the 66 indicators, seven are transitional measures that will be reported on from 2015–16 onwards. The framework also includes a checklist of 24 items considered essential for supporting good governance and management in local government.

To support the reporting and availability of performance information, Victoria developed the *Know your council* website (www.knowyourcouncil.vic.gov.au). The design and implementation of the website followed an extensive engagement and testing process with councils and the community.

For the first time, all of the performance information can be compared in one location. Councils' results will be published annually on the *Know your council* website and as a part of their annual reports. Council results will be supported by their own narrative to explain results and tell their story.

In addition to comparative reporting and benchmarking, the *Know your council* website has a council directory and a 'Guide to Councils' with information about how councils work and the range of services delivered.

In 2014–15, **Queensland** produced the *2013–14 Queensland local government comparative information report*. This report helps local governments to develop new and more effective ways to deliver services by providing an effective tool by which they can monitor trends over time and benchmark services performance, both internally and with other councils.

The **Western Australian** local government sector has been implementing the integrated planning and reporting reforms from July 2013. Comparative performance measures will be developed in future years once these reforms are in place. Work is continuing on improving the standard of the integrated planning and reporting documentation and community engagement strategies.

Comparisons between **South Australian** councils on a wide range of data are now facilitated by the annual publication by the South Australian Local Government Grants Commission of annual database reports.

Until 2014, **Tasmania** produced the *Sustainability objectives and indicators* report to measure council performance on an annual basis. The *Sustainability objectives and indicators* report contained detailed analysis and presentation of financial, asset management and planning and development data and in particular, a number of sustainability indicators. Tasmania reviewed the *Sustainability objectives and indicators* project in December 2014 and evaluated its efficacy to drive a culture of continuous improvement within Tasmanian councils. The review report found that the indicators measured were valuable, but there would be benefits in reconsidering what the indicators currently measure and identifying indicators that are meaningful to a wider audience. In response to the review findings, it was proposed that the *Sustainability objectives and indicators* report be subsumed into a new continuous improvement framework. These recommendations are being progressed in consultation with a Continuous Improvement Framework Advisory Group.

In 2014–15, **Northern Territory** councils' data was collected and aggregated into a Northern Territory-wide report. In collecting the data, a web-based self-assessment tool was released which provided a pictorial and textual report on where individual councils are positioned in relation to asset management and long-term financial planning. The intent of this tool is to empower councils with base line data and a mechanism to help them assess and evaluate their asset and financial management capacity. In addition, the Local Government Association of the Northern Territory researched the development of a framework for assessing short-term and long-term financial sustainability using a standard set of financial indicators.

The **Australian Capital Territory** does not undertake comparative performance measures with local governments. The Australian Capital Territory Government does undertake analysis on the *Report on government services* information, however this reporting focuses on 'state-like' government services.

Efficiency and effectiveness reforms

As part of their reports, jurisdictions were asked to provide information on the reforms undertaken during 2014–15 to improve the efficiency and effectiveness of local government service delivery. A summary for each jurisdiction follows.

In 2014–15, **New South Wales** initiated a comprehensive package of measures to revitalise local government. This package is designed to strengthen councils and their communities and will involve streamlining legislation, cutting red tape and improving council performance. In September 2014, the New South Wales Government released its plan to create stronger and more effective councils in *A blueprint for the future of local government*. This set out a pathway to achieving a shared vision of the future which recognises the differing needs of Greater Sydney, regional and rural areas and the Far West. It addresses the need to reform the system of local government and councils within it. The *Fit for the future* process launched as part of this package and asked councils to consider their position, assess their performance and prepare a plan to systematically improve their outlook. This encourages councils to rethink their scale and focus so they can continue to meet community needs.

In **Victoria**, all 79 councils in the pursuit of better practice in procurement and shared services are working collaboratively through a Regional Procurement Excellence Network. This network promotes best practice and collaboration in procurement practices.

Victoria began implementing its Fair Go Rates System which will see increases to municipal rates and charges capped in line with increases in the Consumer Price Index unless a

council has obtained approval for a higher increase from the Essential Services Commission. In February 2015, the Essential Services Commission was commissioned to undertake an inquiry and recommend how best to implement this policy.

The preparation of the Local Government Amendment (Improved Governance) Bill 2015 continued in 2014–15 to enhance the standard of behaviour in the local government sector, improve the framework for dealing with councillor misbehaviour and strengthen the integrity of council elections.

Queensland now requires local governments to report fraud losses to both the Queensland Auditor-General and the Queensland Minister for Local Government. In addition, local governments are now required to keep written records of alleged and proven fraud-related losses. These changes provide consistency with Queensland's reporting requirements and enable Queensland to monitor reported fraud losses from local governments to identify possible training or support needs.

In **Western Australia**, many local governments reviewed their activities by using the Local Government Reform Toolkit, an online resource providing best practice templates and guidance. The efficiency and effectiveness of local government service delivery has been supported by the deployment of technologies to automate processes and improve the timeliness of procurement processes. The use of eSign has seen hundreds of contracts expedited by removing the need for printing, sending and paper-based file management. eQuotes has been used to streamline thousands of purchasing engagements to a process of quotation, with auditable and transparent records.

South Australia undertook a state-wide roll out of the Council Member Induction Training programme following the introduction of the Training Standard for Council Members in November 2014. Thirty-five councils participated in the rollout, resulting in 310 council members successfully completing the training requirement. This training programme was also released in an online format with great success. Twenty-seven councils bought the site licence, providing unlimited access for 12 months. The flexibility and accessibility of this approach was well received by the sector and played a major role in enabling council members to complete this training requirement.

In February 2015, **Tasmania** began discussions on voluntary amalgamations and strategic shared service initiatives while committing to provide financial assistance to councils who would undertake feasibility studies into voluntary amalgamations or enhanced strategic shared services. Feasibility studies to assess voluntary amalgamation and strategic shared services are underway for greater Hobart councils (Hobart City, Clarence City, Glenorchy City and/or Kingborough Councils) and south east councils (Clarence City, Sorell, Glamorgan-Spring Bay and Tasman Councils). In addition, proposals to investigate comprehensive shared service arrangements are close to completion, with agreements being drafted for the nine councils in the Cradle Coast region and the eight councils in the northern region.

From 1 January 2014, local authorities were established in 63 remote communities within nine regional councils across the **Northern Territory**. Each authority comprises of between six to 14 members including community nominated and regional council elected members. Local authority meetings are held at least four times per year and discuss a range of issues such as council planning, budgeting, employment and the monitoring of service delivery within their respective communities. A review of local authorities found that in their first year of operation, local authorities were delivering on their objectives to provide a stronger local voice and greater accountability for service delivery. In June 2015, the Northern Territory

Government endorsed broadening the functions of local authorities as the preferred body for government's engagement with remote communities across all portfolio areas. Planning for the implementation of this new initiative is a collaborative process with regional councils.

In December 2014, the **Australian Capital Territory** established Access Canberra which brings together regulators within the Australian Capital Territory Government's primary shopfront and contact centre agency. Access Canberra aims to improve the experience of businesses, community organisations and individuals in accessing government services. Access Canberra has delivered greater efficiency for customers by joining up regulatory activities, reducing duplication, delivering better coordination of events approvals, and establishing a single point of contact – eliminating the need for businesses to negotiate multiple entry points to government.

04

Local government and Aboriginal and Torres Strait Islander communities



Reporting requirements

Section 16 of the *Local Government (Financial Assistance) Act 1995* (Cth) (the Act) requires an assessment, based on comparable national data, of the delivery of local government services to Aboriginal and Torres Strait Islander communities.

During 2014–15, all jurisdictions pursued initiatives aimed at promoting the delivery of local government services to Aboriginal and Torres Strait Islander communities. A summary of key initiatives is also provided later in this chapter.

Closing the Gap

In 2008, the Council of Australian Governments (COAG) agreed to six targets for Closing the Gap between Indigenous and non-Indigenous Australians. The six COAG targets were:

- to close the gap in life expectancy between Indigenous and non-Indigenous Australians by 2031
- to halve the gap in mortality rates for Indigenous children under five by 2018
- to ensure access to early childhood education for all Indigenous four-year-olds in remote communities by 2013
- to halve the gap in reading, writing and numeracy achievement for Indigenous children by 2018
- to halve the gap in year 12 or equivalent attainment rates for Indigenous young people by 2020
- to halve the gap in employment outcomes between Indigenous and non-Indigenous Australians by 2018.

In May 2014, an additional Closing the Gap target was agreed: to close the school attendance gap between Indigenous and non-Indigenous within five years.

Closing the Gap is a long-term, ambitious framework that builds on the foundation of respect and unity provided by the 2008 National Apology to Aboriginal and Torres Strait Islander Peoples. It acknowledges that improving opportunities for Indigenous Australians requires effort from all levels of government, as well as the private and not-for-profit sectors, communities and individuals.

State, territory and local government initiatives

An outline of key activities undertaken by jurisdictions and local government associations in improving the provision of local government services to Aboriginal and Torres Strait Islanders people in 2014–15 is as follows.

All councils in **New South Wales** are required to prepare Integrated Planning and Reporting plans to facilitate community strategic planning and delivery of council services to best meet community needs. The Integrated Planning and Reporting guidelines include the requirement for a community strategic plan to be developed in consultation with groups within the local community and based on principles of social justice. This includes the consideration of Aboriginal and Torres Strait Islander people's needs within each local community.

The **Victorian** Government has committed, under its Ministerial Statement on Local Government, to implement an Aboriginal Local Government Action Plan. Over 2014–15, Local Government Victoria; the Office of Aboriginal Affairs; the Municipal Association of Victoria; and Reconciliation Victoria held a series of workshops to underpin the development of the Aboriginal Local Government Action Plan. The plan is scheduled for release in late 2016.

As an initial action, the Victorian Government has funded the *Maggolee* website which was launched in 2015. *Maggolee* is a vehicle for councils to demonstrate examples of good practice in the way they engage with Aboriginal communities. This may include policy and programmes; information on protocols and cultural awareness; key contact information; relevant local data; news and events.

The Local Government Aboriginal Employment Project, led by the Municipal Association of Victoria, continued to support local government in their active engagement with Aboriginal and Torres Strait Islanders communities. This includes support to strengthen links with local government; encourage partnerships between the state and local governments dealing with Aboriginal and Torres Strait Islanders issues; and improve outcomes for Aboriginal and Torres Strait Islander people and local government, primarily in relation to reconciliation, service delivery, employment and cultural heritage.

The **Queensland** Government continued to provide funding to Aboriginal and Torres Strait Islander local governments to support the provision of local government services to their communities. In 2014–15, Queensland provided \$31.8 million to 16 Aboriginal and Torres Strait Islander councils. These funds are provided to support councils in the efficient delivery of services and to build long-term financial sustainability by maximising opportunities to reduce operating costs and increase own-source revenue.

Other funding provided by the Queensland Government to Aboriginal and Torres Strait Islander councils in 2014–15 included \$3.5 million under the Revenue Replacement Program. This is an initiative under Queensland's alcohol-related harm reduction strategy for the nine Aboriginal and Torres Strait Islander local governments that compulsorily surrendered their council-held liquor licences in 2009. Funding was provided under this programme to help councils to maintain community services previously funded by the profits from alcohol sales.

Under the Indigenous Economic Development Grant programme, Queensland continued its commitment to support Aboriginal and Torres Strait Islander councils to employ municipal services staff. Each eligible council received \$80 000 to support 1.6 full-time equivalent positions, except for Yarrabah and Palm Island Aboriginal Shire Councils and Northern Peninsula Area Regional Council, which each received \$160 000 to support 3.2 full-time equivalent positions.

In 2014, the **Western Australian** Government accepted a one-off payment of \$90 million to transfer responsibility for municipal and essential services from the Australian Government to Western Australia from 1 July 2015. The Western Australian Government has since embarked on a major regional services reform programme to develop new arrangements for municipal and essential services delivery to Aboriginal communities. With support from Aboriginal people, the Western Australian Government has formed leadership groups across Western Australia to work with service providers on the ground to improve lives. The Western Australian Government has adopted a State Infrastructure Strategy to guide future investment in Aboriginal communities.

Western Australia has set up an Aboriginal Procurement Working Group to increase the awareness of the Western Australian Government and local government procurement policies and processes for Aboriginal businesses and to increase procurement of Aboriginal goods and services.

During 2014–15, **South Australia** has been preparing to deliver the municipal services programme to Aboriginal communities across South Australia. In April 2015, the South Australian Government secured \$15 million from the Australian Government to provide municipal services to Aboriginal communities outside of the Anangu Pitjantjatjara Yankunytjatjara Lands.

For the 2015–16 year, funding will provide Aboriginal communities with services such as: waste management; dog control; environmental health; road maintenance; and water provision. Of the 17 service providers funded, four are local councils or a similar body.

The **Tasmanian Government** report that it is not aware of any specific local government initiatives undertaken in 2014–15 in relation to services to Aboriginal and Torres Strait Islander communities.

As Aboriginal and Torres Strait Islanders comprise approximately 33 per cent of the **Northern Territory** population; all councils deliver services in communities where Aboriginal and Torres Strait Islander people reside. Regional councils deliver the bulk of these services in over 60 towns which are made up largely of Aboriginal residents. The diversity of services offered by all councils is measured by the resources that councils are able to muster, mostly from grant programmes, and include initiatives that are not the norm for mainstream local government.

The services provided by local government in Northern Territory range from: school nutrition programmes; remote broadcasting; safe houses and centres for women; Centrelink and Australia Post services; community stores; public housing services; night patrol services and sobering up shelters; money management; mechanical workshops; reconciliation action plans; veterinary services (animal management); childcare, crèche and out-of-school hours care; youth, sport and recreation activities; domestic violence education and community violence mediation; Remote Jobs and Communities programme; outstations/homelands maintenance; and essential services (power and water).

The *ACT Aboriginal and Torres Strait Islander Agreement 2015–2018* was signed on 23 April 2015 by the **Australian Capital Territory** Chief Minister, the Chair of the Aboriginal and Torres Strait Islander Elected Body, the Minister for Aboriginal and Torres Strait Islander Affairs, and the Head of the Australian Capital Territory Public Service. The agreement is the overarching document that will guide Aboriginal and Torres Strait Islander affairs in the Australian Capital Territory over the next three years. The agreement leads the way for the government to support Aboriginal and Torres Strait Islander community members to fully participate in and enjoy the social, economic and wellbeing benefits of living in the Australian Capital Territory.

The agreement aims to build strong families by focusing on seven key areas: cultural identity; healthy mind, healthy body; feeling safe; connecting the community; employment and economic independence; education; and leadership. An Implementation Plan for the agreement is being developed.



A

National Principles



Under section 3 of the *Local Government (Financial Assistance) Act 1995* (Cth) (the Act), the Australian Government provides financial assistance for local government purposes by means of grants to the states and self-governing territories for the purpose of improving:

- the financial capacity of local governing bodies;
- the capacity of local governing bodies to provide their residents with an equitable level of services;
- the certainty of funding for local governing bodies;
- the efficiency and effectiveness of local governing bodies; and
- the provision, by local governing bodies, of services to Aboriginal and Torres Strait Islander communities.

In determining allocations, local government grant commissions are required to make their recommendations in line with National Principles. The National Principles are set out in Figure A-1, while Figure A-2 describes the horizontal equalisation National Principle in greater detail.

The main objective of having National Principles is to establish a nationally consistent basis for distributing financial assistance to local government under the Act. The Act includes a requirement, under section 6(1), for the Australian Government Minister responsible for local government to formulate National Principles after consulting with jurisdictions and local government.

The formulated National Principles are a disallowable instrument under the Act. As such, any amendments, including establishment of new principles, must be tabled in both Houses of the Australian Parliament before they can come into effect. Members and senators then have 15 sitting days in which to lodge a disallowance motion. If such a motion is lodged, the respective House has 15 sitting days in which to put and defeat the disallowance motion. If the disallowance motion is defeated, the amendment stands. If the disallowance motion is passed, the amendment will be deemed to be disallowed.

Figure A-1 National Principles

A. General purpose

The National Principles relating to allocations of the general purpose grant payable under section 9 of the *Local Government (Financial Assistance) Act 1995* (the Act) among local governing bodies are as follows:

1. Horizontal equalisation

General purpose grants will be allocated to local governing bodies, as far as practicable, on a full horizontal equalisation basis as defined by the Act. This is a basis that ensures that each local governing body in the State/Territory is able to function, by reasonable effort, at a standard not lower than the average standard of other local governing bodies in the State. It takes account of differences in the expenditure required by those local governing bodies in the performance of their functions and in the capacity of those local governing bodies to raise revenue.

2. Effort neutrality

An effort or policy neutral approach will be used in assessing expenditure requirements and revenue raising capacity of each local governing body. This means as far as practicable, policies of individual local governing bodies in terms of expenditure and revenue effort will not affect the grant determination.

3. Minimum grant

The minimum general purpose grant allocation for a local governing body in a year will be not less than the amount to which the local governing body would be entitled if 30 per cent of the total amount of general purpose grants to which the State/Territory is entitled under Section 9 of the Act in respect of the year were allocated among local governing bodies in the State/Territory on a per capita basis.

4. Other grant support

Other relevant grant support provided to local governing bodies to meet any of the expenditure needs assessed should be taken into account using an inclusion approach.

5. Aboriginal peoples and Torres Strait Islanders

Financial assistance shall be allocated to councils in a way which recognises the needs of Aboriginal peoples and Torres Strait Islanders within their boundaries.

6. Council amalgamation

Where two or more local governing bodies are amalgamated into a single body, the general purpose grant provided to the new body for each of the four years following amalgamation should be the total of the amounts that would have been provided to the former bodies in each of those years if they had remained separate entities.

B. Identified local road

The National Principle relating to the allocation of the amounts payable under Section 12 of the Act (the identified road component of the financial assistance grants) among local governing bodies is as follows:

1. Identified road component

The identified road component of the financial assistance grant should be allocated to local governing bodies as far as practicable on the basis of the relative needs of each local governing body for roads expenditure and to preserve its road assets. In assessing road needs, relevant considerations include length, type and usage of roads in each local governing area.

Figure A-2 What is horizontal equalisation?

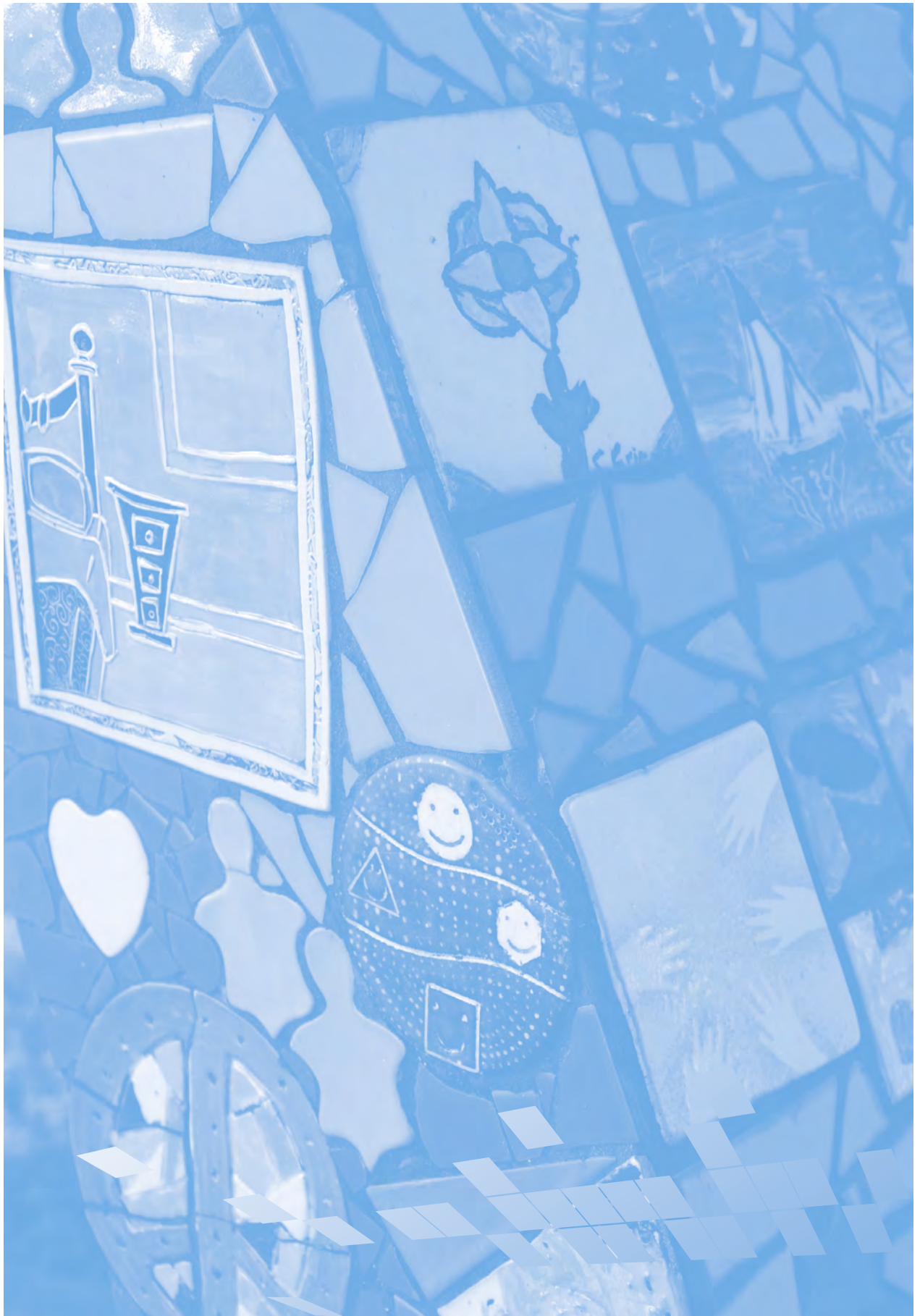
Horizontal equalisation would be achieved if every council in a state or territory, by means of reasonable revenue-raising effort, were able to afford to provide a similar range and quality of services. The Australian Government pursues a policy of horizontal equalisation when it distributes goods and services tax revenue to state and territory governments.

The *Local Government (Financial Assistance) Act 1995 (Cth)* (the Act) requires the Minister, in formulating the National Principles, to have regard to the need to ensure the funds are allocated, as far as is practicable, on a full horizontal equalisation basis. Section 6(3) of the Act defines horizontal equalisation as being an allocation of funds that:

- ensures each local governing body in a state is able to function, by reasonable effort, at a standard not lower than the average standard of other local governing bodies in the state
- takes account of differences in the expenditure required to be incurred by local governing bodies in the performance of their functions and in their capacity to raise revenue.

Distribution on the basis of horizontal equalisation is determined by estimating the costs each council would incur in providing a normal range and standard of services and by estimating the revenue each council could obtain through the normal range and standard of rates and charges. The allocation is then altered to compensate for variations in expenditure and revenue to bring all councils up to the same level of financial capacity.

This means councils that would incur higher relative costs in providing normal services – for example, in remote areas (where transport costs are higher) or areas with a higher proportion of elderly or pre-school aged people (where there will be more demand for specific services) – will receive relatively more grant money. Similarly, councils with a strong rate base (highly valued residential properties, high proportion of industrial and/or commercial property) will tend to receive relatively less grant money.



B

State and territory government and local government association submissions



This appendix contains the submissions from state and territory governments and local government associations. Headings have been standardised and minor edits made to achieve consistency in the report.

The *Local Government (Financial Assistance) Act 1995* (Cth) (the Act) requires that the relevant state and territory minister and bodies representative of local government be consulted when preparing this report.

Section 16 of the Act notes that:

1. The Minister must, as soon as practicable after 30 June in each year, cause a report or reports to be prepared about the operation of this Act in respect of the year.
Note: The first report under this subsection will relate to the year beginning on 1 July 1995; see the definition of year in subsection 4(2).
2. The Minister must ensure that relevant State Ministers and a body or bodies representative of local government are consulted in connection with the preparation of a report under subsection (1).
3. The report or one of the reports must include an assessment by the Minister (based on comparable national data), in relation to the year, of:
 - a. the extent (if any) to which the allocation of funds for local government purposes has been made on a full horizontal equalisation basis as mentioned in paragraph 6(2)(a); and
 - b. the methods used by the Local Government Grants Commissions in making their recommendations; and
 - c. the performance by local governing bodies of their functions including:
 - i. their efficiency; and
 - ii. services provided by them to Aboriginal and Torres Strait Islander communities.
4. The Minister must cause a copy of each report to be laid before each House of the Parliament as soon as practicable after the report has been prepared.

All state and territory governments and local government associations were invited to make submissions. Local Government New South Wales did not provide a submission. Joint submissions were provided by South Australia and Tasmania. Individual submissions were received from the Australian Local Government Association; governments of New South Wales, Victoria, Queensland, Western Australia, Australian Capital Territory and Northern Territory; and the local government associations of Victoria, Queensland, Western Australia and the Northern Territory.

Report from the New South Wales Government

The extent to which the allocation of funds for local government purposes for your jurisdiction has been made on a full horizontal equalisation basis

Based on the New South Wales Local Government Grants Commission's assessment model there is a widening shortfall between the assessed needs and the available funds as a result of council costs increasing at a greater rate than the escalation factor applied to the funding. The per capita minimum grant principle is an impediment to the New South Wales Local Government Grants Commission's capacity to fund councils on a full horizontal equalisation basis.

Tools and methodologies employed to achieve horizontal equalisation

The New South Wales Local Government Grants Commission attempts to assess the extent of disadvantage across local governing bodies resulting from demographic and economic disparities. The method used excludes, as far as it is practical to do so, the policies and practises of the individual entities. The approach taken considers revenue raising capacity (revenue allowances) and cost disadvantage in the provision of services (expenditure allowances).

The principal source of income for councils is property based rates. Accordingly, the New South Wales Local Government Grants Commission's revenue assessment model is based on comparative property values applied to a state-wide rate-in-the-dollar. Councils with low property values are assessed as being disadvantaged (positive allowances). Councils with high property values are assessed as being advantaged (negative allowances). That is, the theoretical revenue capacity of each council is equalised against the state average council. The rating, financing and entrepreneurial policies of individual councils are excluded from the modelling.

Expenditure allowances are calculated for 21 council services (for example: libraries, health, planning and building control, recreation, roads, etc.). A disability factor (or cost adjuster) is determined for each service for each council. The disability factor is the estimate of the extent of relative disadvantage, expressed as a percentage, of the state-wide average cost of providing each service. Disability factors are based on objective measures (for example: location and distance, terrain and climate, cultural and social diversity, indigenous population, age, etc.). Each council's disability factor measure is compared to state-wide averages. The resulting disability factors are weighted to determine the final disability factor. The weighting that is applied is designed to reflect the significance of each measure in terms of its expected additional cost impact.

If, for example, it is estimated that it would cost a council 10 per cent more than the state-wide average for a library service because of demographic and geographic reasons, then the disability factor would be 10 per cent. The council would receive an allowance based on 10 per cent of the state-wide average cost for library services.

To be consistent with the horizontal equalisation principle, the approach taken is designed to exclude the policies and practices of each individual council.

Data (and its limitations) used to enable accurate assessment of horizontal equalisation

The data needs of the New South Wales Local Government Grants Commission are satisfactorily met. As far as it is possible to do so, the New South Wales Local Government Grants Commission sources its data needs from non-council agencies.

The data sourced from councils is averaged, on a rolling basis, over a number of years and is used to calculate state averages. Accordingly, the significance of any poor quality reporting, data errors or aberrations in the data has no direct impact on an individual council's grant.

The New South Wales Local Government Grants Commission data concerns include:

- poor quality local roads and bridge length data and its subsets (vehicle movements; heavy vehicle movements; terrain; subgrade; and availability of materials etc.)
- lack of robust indicators of non-resident use and tourism (service population)
- inadequate environmental measures at local government levels.

The methodology used for distributing funding under the Financial Assistance Grant programme to local government for 2014–15 by your local government grants commission

The New South Wales Local Government Grants Commission methodology has not changed significantly since 2013–14. The two components of the grant are distributed on the basis of principles developed in consultation with local government and consistent with the National Principles of the *Local Government (Financial Assistance) Act 1995* (Cth).

General purpose component

The general purpose component of the grant attempts to equalise the financial capacity of councils. The New South Wales Local Government Grants Commission uses the direct assessment method. The approach taken considers cost disabilities in the provision of services (expenditure allowances) and an assessment of councils' relative capacity to raise revenue (revenue allowances).

Expenditure allowances are calculated for each council for a selected range of council services. The allowances attempt to compensate councils for expected above average costs resulting from issues that are beyond their control. Council policy decisions concerning the level of service provided or if there is a service provided at all, are not considered in order to be consistent with the effort neutral principle.

Expenditure allowances are calculated for 21 council services. These services are: general administration and governance; aerodromes; services for aged and disabled; building control; public cemeteries; services for children; general community services; cultural amenities; control of dogs and other animals; fire control and emergency services; general health services; library services; noxious plants and pest control; town planning control; recreational services; stormwater drainage and national report flood mitigation; street and gutter cleaning; street lighting; and maintenance of urban local roads, sealed rural local roads, and unsealed rural local roads.

An additional allowance is calculated for councils outside the Sydney statistical division that recognises their isolation. The general formula for calculating expenditure allowances is:

Number of units x standard cost x disability factor

where the:

- number of units is the measure of use for the service for the council. For most services the number of units is the population, for others it may be the number of properties or the length of roads

- standard cost represents the state average cost for each of the 21 selected services. The calculation is based on a state-wide average of councils' net costs, excluding extreme values, using selected items from Special Schedule 1 of councils' financial reports, averaged over five years
- disability factor is the measure of disadvantage for the council.

A disability factor is the New South Wales Local Government Grants Commission's estimate of the additional cost, expressed as a percentage, of providing a standard service due to inherent characteristics that are beyond a council's control. For example, if it is estimated that it would cost a council 20 per cent more than the standard for a library service because of issues such as: non-resident borrowers aged population, student numbers, non-English speaking community, and population distribution, then the disability factor would be 20 per cent. Consistent with the effort neutral principle, the New South Wales Local Government Grants Commission does not compensate councils for cost differences that arise due to policy decisions of the council, management performance or accounting differences.

For each service the New South Wales Local Government Grants Commission has identified a number of variables that are considered to be the most significant in influencing a council's expenditure on that particular service. These variables are termed disabilities. A council may have a disability due to inherent factors such as topography, climate, traffic, or duplication of services. In addition to disabilities identified by the New South Wales Local Government Grants Commission, other disabilities relating to individual councils may be determined. These may arise where unique circumstances have been identified as a result of council visits or special submissions. The general approach to calculating a disability factor is to take each disability relating to a service and to apply the following formula:

Disability factor = (council measure ÷ standard measure - 1) x 100 x weighting

where the:

- council measure is the individual council's measure for the disability being assessed (population growth for example)
- standard measure is the state standard (generally the average) measure for the disability being assessed
- weighting is meant to reflect the significance of the measure in terms of the expected additional cost. The weightings have generally been determined by establishing a factor for the maximum disability based on a sample of councils or through discussion with peak organisations.

Negative scores are not generally calculated. That is, if the council score is less than the standard, a factor of zero is substituted. The factors calculated for each disability are then added together to give a total disability factor for the service.

The New South Wales Local Government Grants Commission uses the inclusion approach in the treatment of specific purpose grants for library services and local roads. This means the disability allowance is discounted by the specific purpose grant as a proportion of the standardised expenditure.

The deduction approach is used for services where the level of specific purpose payment assistance is related to council effort. This method deducts specific purpose grant amounts from all councils' expenditure before standard costs are calculated. The New South Wales Local

Government Grants Commission considers the deduction approach to be more consistent with the effort neutral requirement specified in the National Principles.

The New South Wales Local Government Grants Commission also calculates an allowance for additional costs associated with isolation. The isolation allowance is calculated using a regression analysis model based on the additional costs of isolation and distances from Sydney and major regional centres. Only councils outside the greater Sydney statistical area are included. An additional component of the isolation allowance is included which specifically recognises the additional industrial relations obligations of councils in western New South Wales.

A pensioner rebate allowance is calculated which recognises that a council's share of pensioner rebates is an additional cost. Councils with high proportions of ratepayers that qualify for eligible pensioner rebates are considered to be more disadvantaged than those with a lower proportion.

Revenue allowances attempt to compensate councils for their relative lack of revenue-raising capacity. Property values are the basis for assessing revenue-raising capacity because rates, based on property values, are the principal source of a council's income. Importantly, property values are also considered to be a useful indicator of the relative economic strength of local areas.

The New South Wales Local Government Grants Commission's methodology compares land values per property for the council to a state standard value and multiplies the result by a state standard rate-in-the-dollar. For comparative purposes the New South Wales Local Government Grants Commission purchases valuation data that has been calculated to a common base date for all councils by the New South Wales Valuer General. To reduce seasonal and market fluctuations in the property market, the valuations are averaged over three years. In the revenue allowance calculation, councils with low values per property are assessed as being disadvantaged and are brought up to the average (positive allowances), while councils with high values per property are assessed as being advantaged and are brought down to the average (negative allowances). That is, the theoretical revenue-raising capacity of each council is equalised against the state standard. The New South Wales Local Government Grants Commission's approach excludes the rating policies of individual councils (effort neutral).

Separate calculations are made for urban and non-urban properties. Non-rateable properties are excluded from the New South Wales Local Government Grants Commission's calculations because the calculations deal with relativities between councils, based on the theoretical revenue-raising capacity of each rateable property.

In developing the methodology, the New South Wales Local Government Grants Commission was concerned that use of natural weighting would exaggerate the redistributive effect of the average revenue standards. That is, the revenue allowances are substantially more significant than the expenditure allowances. As the National Principles provide that: 'revenue allowances may be discounted to achieve equilibrium with the expenditure allowances', both allowances are given equal weight. The discounting helps reduce the distortion caused to the revenue calculations as a result of the property values in the Sydney metropolitan area. The objective approach to discounting revenue allowances reduces the extreme positives and negatives calculated, yet maintains the relativities between councils established in the initial calculation.

The New South Wales Local Government Grants Commission does not specifically consider rate pegging, which applies in New South Wales. The property based calculations are essentially dealing with relativities between councils and rate pegging affects all councils.

Movements in the grant allocations are caused by annual variations in property valuations, standard costs, road and bridge length, disability measures or population.

The New South Wales Local Government Grants Commission, because of the practical and theoretical problems involved, does not consider the requirements of councils for capital expenditure. In order to assess capital expenditure requirements, the New South Wales Local Government Grants Commission would have to undertake a survey of each council's infrastructure needs and then assess the individual projects for which capital assistance is sought. This would undermine council autonomy, because the New South Wales Local Government Grants Commission, rather than the council, would be determining which projects were worthwhile. Further, councils that had failed to adequately maintain their assets could be rewarded at the expense of those that did maintain them.

The issue of funding for local water and sewerage undertakings was examined during the process of consultation between the New South Wales Local Government Grants Commission, the then Local Government and Shires Associations, and local government generally.

The Local Government and Shires Associations of the time and local governments recommended to the New South Wales Local Government Grants Commission that water and sewerage services not be included because:

- not all councils in New South Wales perform such services
- the level of funds available for other council services would be significantly diminished if such services were considered
- inclusion would result in a reduced and distorted distribution of funds to general purpose councils
- the state government makes other sources of funds and subsidies available to councils for such services.

The New South Wales Local Government Grants Commission agreed and accordingly, water and sewerage services are excluded from the distribution formula.

The New South Wales Local Government Grants Commission views income from council business activities as a policy decision and, therefore, does not consider it in the grant calculations (effort neutral). Similarly, losses are not considered either.

Debt servicing is related to council policy and is therefore excluded from the New South Wales Local Government Grants Commission's calculations. In the same way, the consequences of poor council decisions of the past are not considered.

Generally, the level of a council's expenditure on a particular service do not affect grant allocations. Use of a council's expenditure is generally limited to determining a state standard cost for each selected service. The standard costs for these services are then applied to all councils in calculating their grant. What an individual council may actually spend on a service has very little bearing on the standard cost or its grant.

Efficient councils are rewarded by the effort neutrality approach to the calculations. To illustrate this, two councils with similar populations, road networks, property values, and disability measures would receive a similar grant. The efficient council can use its grant funds to provide better facilities for its ratepayers. The inefficient council cannot provide additional services to its ratepayers. Therefore, the efficient council will benefit from its efficiency.

Council categories have no bearing on the grant allocations. Categories simply provide a convenient method of grouping councils for analysis purposes.

Effective from 1 July 2006, the National Principles embodied an amalgamation principle that states:

Where two or more local governing bodies are amalgamated into a single body, the general purpose grant provided to the new body for each of the four years following amalgamation should be the total of the amounts that would have been provided to the former bodies in each of those years if they had remained separate entities.

No New South Wales councils currently require protection under this provision.

Local road component

The method of allocating the local road component is based on a simple formula developed by the New South Wales roads authority. The formula uses councils' proportion of New South Wales' population, local road length and bridge length. Details of the formula are discussed below.

Formula – general purpose expenditure allowances

Allowances for most services are calculated on the following general formula:

$$Ac = Nc \times Es \times Dc$$

where:

Ac	=	allowance for the council for the expenditure service
Nc	=	number of units to be serviced by council
Es	=	standard expenditure per unit for the service
Dc	=	disability for the council for service in percentage terms

Formula – road length allowances

In addition to the disability allowances, road length allowances are calculated for each road type based on the following formula:

$$Ac = Nc \times Es \times \frac{Lc}{Nc} - \frac{Ls}{Ns}$$

where:

Ac	=	allowance for road length allowance
Nc	=	number of relevant properties for the council
Es	=	standard cost per kilometre

$$\frac{Lc}{Nc} = \text{council's relevant length of road per relevant property}$$

$$\frac{Ls}{Ns} = \text{standard relevant length of road per relevant property}$$

Isolation allowances

Isolation allowances are calculated for all non-metropolitan councils based on the formula:

$$Ac = Pc \times ([Dsc \times K1] + [Dnc \times K2] + Ic)$$

where:	Ac	=	the isolation allowance for each council
	Pc	=	the adjusted population for each council
	Dsc	=	the distance from each council's administrative centre to Sydney
	Dnc	=	the distance from each council's administrative centre to the nearest major regional centre (a population centre of more than 20 000)
	Ic	=	the additional per capita allowance due to industrial award obligations (if applicable)
	K1 and K2 are constants derived from regression analysis		

Specific purpose payments

Allowances for services are discounted where appropriate to recognise the contribution of specific purpose grants. The discount factor that generally applies is:

$$1 - \frac{Gc}{(Nc \times Es) + Ac}$$

where:	Gc	=	the specific purpose grant received by the council for the expenditure service
	Nc	=	number of units to be serviced by council
	Es	=	standard expenditure per unit for the service
	Ac	=	allowance for the council for the expenditure service

Formulae – revenue allowances, general

The general formula for calculating revenue allowances is:

$$Ac = Nc \times ts \times (Ts - Tc)$$

where:	Ac	=	revenue allowance for the council
	Nc	=	number of properties (assessments)
	ts	=	standard tax rate (rate-in-the dollar)
	Ts	=	standard value per property
	Tc	=	council's value per property

The standard value per property (Ts) is calculated as:

$$Ts = \frac{\text{Sum of rateable values for all councils}}{\text{Sum of number of properties for all councils}}$$

The standard tax rate (ts) is calculated as:

$$ts = \frac{\text{Sum of net rates levied for all councils}}{\text{Sum of rateable values for all councils}}$$

Pensioner rebates allowances

The general formula for the allowance to recognise the differential impact of compulsory pensioner rates rebates is:

$$A_c = R_c \times N_c \times (P_c - P_s)$$

where:	A_c	=	the allowance for the council
	R_c	=	the standardised rebate per property for the council
	N_c	=	the number of residential properties
	P_c	=	the proportion of eligible pensioner assessments for the council
	P_s	=	the proportion of eligible pensioner assessments for all councils

The standardised rebate for the council is:

$$R_c = 0.25 \times T_c \times t_s$$

where:	T_c	=	the average value per residential property in the council
	t_s	=	the standard tax rate (rate-in-the dollar) for residential properties

The maximum value for R_c is set at \$125. T_c and t_s are calculated as for the revenue allowances except only residential properties are used.

Principles

General purpose (equalisation) component

These principles, consistent with the National Principles of the *Local Government (Financial Assistance) Act 1995* (Cth), are based on an extensive programme of consultation with local government. The agreed principles are:

1. General purpose grant allocations to local governing bodies will be allocated as far as practicable on a full equalisation basis as defined in the *Local Government (Financial Assistance) Act 1995* (Cth); that is a basis which attempts to compensate local governing bodies for differences in expenditure required in the performance of their functions and in their capacity to raise revenue.
2. The assessment of revenue and expenditure allowances of local governing bodies will, as far as is practicable, be independent of the policy or practices of those bodies in raising revenue and the provision of services.
3. Revenue-raising capacity will primarily be determined on the basis of property values; positive and negative allowances relative to average standards may be calculated.
4. Revenue allowances may be discounted to achieve equilibrium with expenditure allowances.
5. Generally, for each expenditure function an allowance will be determined using recurrent cost; both positive and negative allowances relative to average standards may be calculated.
6. Expenditure allowances will be discounted to take account of specific purpose grants.
7. Additional costs associated with non-resident use of services and facilities will be recognised in determining expenditure allowances.

Local road component

Financial assistance, which is made available as an identified local road component of local government financial assistance, shall be allocated so as to provide Aboriginal communities equitable treatment in regard to their access and internal local road needs.

1. Urban [metropolitan] area means an area designated as an 'urban area':
 - a. the Sydney Statistical Division
 - b. the Newcastle Statistical District
 - c. the Wollongong Statistical District.
2. Rural [non-metropolitan] area means an area not designated as an 'urban area'
3. Initial distribution:
 - a. 27.54 per cent to local roads in urban areas
 - b. 72.46 per cent to local roads in rural areas
4. Local road grant in urban areas. Funds will be allocated:
 - a. 5 per cent distributed to individual councils on the basis of bridge length
 - b. 95 per cent distributed to councils on the basis of
 - i. 60 per cent distributed on length of roads
 - ii. 40 per cent distributed on population
5. Local road grant in rural areas. Funds will be allocated:
 - a. 7 per cent distributed to individual councils on the basis of bridge length
 - b. 93 per cent distributed to councils on the basis of
 - i. 80 per cent distributed on length of roads
 - ii. 20 per cent distributed on population
6. Data

Population is based on the most up-to-date estimated resident population figures available from the Australian Bureau of Statistics.

Road length is based on the most up-to-date data available to the New South Wales Local Government Grants Commission for formed roads, which are councils' financial responsibility.

Bridge length is based on the most up-to-date data available to the New South Wales Local Government Grants Commission for major bridges and culverts six metres and over in length, measured along the centre line of the carriageway, which are councils' financial responsibility.

The method of application of the statistics shall be agreed to between representatives of the New South Wales Local Government Grants Commission and the Local Government Association of New South Wales.

Changes to the methodology for distributing funding to local government under the Financial Assistance Grant programme for 2014–15 from that used in 2013–14

In 2013–14, the New South Wales Local Government Grants Commission put in place strategies to deliver improved outcomes to smaller rural communities, generally those with resident populations below 10 000. This decision, which resulted from the New South Wales Local Government Grants Commission's observations during their rounds of public hearings, was consistent with the New South Wales Independent Local Government Review Panel's findings. The strategies included:

- applying a weighting to the standard cost for unsealed local roads in the general purpose component of the grant on the basis that the standard cost did not reflect the inability of small rural councils to adequately fund these roads
- a reassessment of a small number of other discretionary disability factors in the administration and governance function
- removal of the urban density measure from the recreation function.

In addition, the long-standing upper capping limit that had applied to movements in the general purpose component was relaxed to more quickly move funds to smaller rural remote councils.

To help minimise the budgetary impact of sudden and unexpected grant reductions, the New South Wales Local Government Grants Commission continued the long-standing arrangement of a lower limit on grant movements for the general purpose component.

These strategies were extended for the 2014–15 year to help reduce the impact for councils most reliant on grant funding. The strategies for 2014–15 include:

- for a second year the standard cost for unsealed local roads in the general purpose component has been weighted
- replacing the population growth measure with a measure for below average population growth in the administration function
- removing the population growth measure from the planning and building control function
- reviewing and in many cases removing a number of other disability factors across a range of expenditure functions
- continued relaxing of the upper capping limit to facilitate the effect of the grant changes to rural remote councils.

When compared to 2013–14, the 2014–15 general purpose component grant outcomes results in:

- grants to metropolitan Greater Sydney reducing on average by 2.1 per cent
- grants to non-metropolitan councils increasing by 0.8 per cent
- five councils receiving double-digit increases in their general purpose component – Balranald (10.7 per cent), Bourke (12.4 per cent), Brewarrina (13.1 per cent), Carrathool (11.9 per cent), and Central Darling (11.4 per cent)
- 12 councils being protected by a capped lower limit of a five per cent reduction – Ashfield, Bankstown, Blacktown, Canterbury, Fairfield, Hawkesbury, Liverpool, Marrickville, Penrith, Queanbeyan, Sydney and Waverley
- the number of minimum grant councils increasing by one to 24, with a further two councils expected to move to the minimum grant in 2015–16.

Developments in the use of long-term financial and asset management plans by local government

All councils in New South Wales now report under an integrated planning and reporting framework. This is designed to improve councils' strategic community planning, including long-term financial and asset management planning, as well as streamline reporting to the community. The integrated planning and reporting framework requires councils to prepare the following plans:

- Community engagement strategy
- Community strategic plan – 10 year + timeframe
- Delivery program – four-year timeframe
- Operational plan – one-year timeframe
- Resourcing strategy – including a long-term financial plan (10 years+), asset management policy, strategy and plans (10 years+), and workforce management strategy (four years).

The integrated planning and reporting framework is designed to ensure that councils approach investing in infrastructure and economic development in a sustainable way, with a view to the future and to delivering outcomes for the community.

All New South Wales councils have planned and reported under the integrated planning and reporting framework since 1 July 2012. The New South Wales Office of Local Government supports implementation of this framework through resources, workshops and advice.

For 2014–15, the New South Wales Office of Local Government continued to provide oversight and support for councils developing and implementing long-term financial and asset management plans. In part, this has been undertaken through the Promoting Better Practice review programme, which aims to improve the viability and sustainability of councils by providing an assessment of council practices and overall health.

The Promoting Better Practice programme involved reviewing financial and asset management plans and offering support and advice to ensure they are effectively implemented as an integrated part of council's operations. Councils' long-term financial planning and asset management planning has improved and the New South Wales Office of Local Government will continue to work closely with councils to ensure ongoing improvements across New South Wales.

Actions to develop and implement comparative performance measures between local governing bodies

The New South Wales Office of Local Government's 2013–14 *Comparative Information on New South Wales Local Government Councils* marks the 24th year the publication has been produced. The report contains a range of performance indicators.

Data sources include council financial reports, rating records and population data from the Australian Bureau of Statistics. The information collected has also been used to calculate funding under the Financial Assistance Grant programme, analyse councils' financial health, and check compliance of rates collected. To promote use, transparency and accountability the New South Wales Office of Local Government continues to make the publication and the raw data freely available and accessible via the internet.

The 2013–14 publication includes a whole of sector overview as well as a two-page snapshot of each council and incorporates relevant high level demographic and socio-economic indicators for each local government area.

Building on previous changes made to the report, the 2013–14 publication features more user-friendly and informative modes of presenting council data. At the same time, New South Wales is undertaking further work to develop a new local government performance measurement framework.

The New South Wales Office of Local Government is working collaboratively with councils to develop a set of core, consistent performance indicators that will build a picture of overall council performance. This framework will build on existing financial and other performance data and is designed to capture the overall efficiency and effectiveness of councils. This project will enable councils to drive their own improvement over time, enhance accountability and assist the New South Wales Government and others to better understand and support performance.

In late 2013, a discussion paper was issued as part of the first stage of council and public consultation on a new approach to performance measurement. Since that time, the New South Wales Office of Local Government has worked with councils, sector representatives and other interested organisations to develop a more detailed outline of the proposed framework and a set of draft indicators for further consultation.

Reforms undertaken during 2014–15 to improve the efficiency and effectiveness of local government service delivery

Stronger councils, stronger communities

In 2014–15, the New South Wales Government initiated a comprehensive package of measures to revitalise local government together with a record investment of up to \$1 billion. This is designed to strengthen councils and their communities and will involve streamlining legislation, cutting red tape and improving council performance.

Building Fit for the Future

The Fit for the Future package of local government reform follows four years of consultation and review since the Destination 2036 summit in 2011. At the summit, the New South Wales Government met face-to-face with all councils in New South Wales to discuss challenges impacting the efficiency and effectiveness of councils and to develop solutions for creating a stronger local government system. Destination 2036 triggered a number of reviews to better understand the changes local government needed to become sustainable. This included:

- Financial Sustainability Review of New South Wales Local Government
- New South Wales Local Government Infrastructure Audit
- Local Government Acts Taskforce
- Independent Local Government Review Panel.

The Local Government Acts Taskforce was appointed to review the *Local Government Act 1993* (NSW) and *City of Sydney Act 1988* (NSW) to ensure both laws continue to meet the current and future needs of the community and local government in New South Wales.

At the same time, the Independent Local Government Review Panel undertook a three-year independent examination of individual councils and the system of local government as a whole to investigate and identify options for governance models, structural arrangements and

boundary changes in New South Wales. The Independent Local Government Review Panel's Final Report was issued for public comment early in 2014. After considering submissions from councils and other relevant stakeholders, the New South Wales Government released its response to that report as part of the Fit for the Future package of local government reform.

Fit for the Future

In September 2014, the New South Wales Government released its plan to create stronger and more effective councils in *A blueprint for the future of local government*. This set out a pathway to achieving a shared vision of the future which recognises the differing needs of Greater Sydney, regional and rural areas and the far west of New South Wales. It addresses the need to reform the system of local government and councils within it.

The Fit for the Future process, launched as part of this package, asked councils to consider their position, assess their performance and prepare a plan to systematically improve their outlook. This encourages councils to rethink their scale and focus so they can continue to meet community needs. The Fit for the Future assessment included four key criteria, with scale and capacity being the primary consideration. The other three criteria focus on councils' current performance against standard industry benchmarks. Councils were asked to consult with their communities before submitting their proposals to the Independent Pricing and Regulatory Tribunal and the Independent Expert Panel for assessment.

Supporting councils

In support of this package, the New South Wales Government offered significant financial and other support to help councils develop their proposals, consult their communities and plan for implementation. This support package included:

- \$258 million in direct investment to support councils who are ready to undertake voluntary mergers with neighbouring councils
- \$13 million in additional funding to ensure that local elected representatives are involved in transition processes where councils merge
- \$5.3 million to establish and support new joint organisations
- \$4 million to help small rural councils develop innovative ways of working
- expert assistance for merging councils to explore the options and prepare a sound business case
- individual support and assistance for councils from the New South Wales Office of Local Government's One Stop Shop and regional relationship managers
- access to information, tools and technical experts to help councils prepare their Fit for the Future proposals.

These benefits will be further supported by potential savings of up to \$600 million across New South Wales from cheaper finance for Fit for the Future councils and through efficiency savings of streamlined legislation and cutting red tape.

Between October 2014 and April 2015, the New South Wales Office of Local Government also offered a range of guidance material and support for councils developing their proposals, as well as undertaking a series of webinars and workshops for councils across New South Wales. Further, between May and June 2015, the Independent Pricing and Regulatory Tribunal consulted with councils on the assessment methodology for the Fit for the Future process before finalising that methodology.

Other key initiatives

In 2014–15, the New South Wales Government committed to a significant number of new reforms to improve the effectiveness and efficiency of local government in New South Wales. A number of these initiatives are underway or have already been delivered. These include:

- a new *Local Government Act* – this will build a new, more streamlined principles-based law centred around Integrated Planning and Reporting through a series of amendment Bills
- a new TCorp Borrowing Facility – Treasury Corporation has established a New South Wales borrowing facility to help Fit for the Future councils to access cheaper finance. This will help to provide new local infrastructure
- an independent review of regulatory and compliance burden – the Independent Pricing and Regulatory Tribunal has been commissioned to undertake this review to identify further opportunities to avoid duplication and eliminate red tape for local government and provide practical recommendations on improving the system
- improving accountability – the New South Wales Government has committed to a series of legislative and administrative changes to ensure councils manage their finances responsibly and are accountable to the community for their performance. These changes include regular sustainability assessments and support to improve; more rigorous revenue policies; and a new role for the New South Wales Auditor-General in overseeing council performance
- a review of the local government rating system – the New South Wales Government has committed to review the current rating system, to address specific equity issues raised by the Independent Local Government Review Panel, while ensuring that ratepayers are protected from unfair rate rises and pensioner concessions are maintained
- creating a model for regional joint organisations – the New South Wales Government is investing more than \$5 million for joint organisations. These joint organisations will help councils to be more involved in regional planning; strengthen opportunities for regional leadership and capacity building; and ensure that people in regional communities have a strong advocate for their needs. The New South Wales Office of Local Government is working with five groupings of councils to pilot the new joint organisation model
- redirecting funding under the Financial Assistance Grant programme – the New South Wales Office of Local Government is working with the New South Wales Grants Commission to consider opportunities to redirect funding under the Financial Assistance Grant programme to communities with the greatest need. This will help smaller rural and remote communities to address some of the challenges of the future.

The New South Wales Office of Local Government is also developing a consistent performance measurement framework for councils and a comprehensive programme to support improvement. The New South Wales Joint Organisations is continuing to work with local councils on this key initiative to drive improvement in efficient and effective service delivery.

Initiatives undertaken and services provided by local governments to Aboriginal and Torres Strait Islander communities

All councils in New South Wales are required to prepare Integrated Planning and Reporting plans to facilitate community strategic planning and delivery of council services to best meet community needs.

The Integrated Planning and Reporting framework recognises that most communities share similar aspirations such as opportunities for social interaction, liveable places, opportunities for employment, reliable services and infrastructure and a sustainable environment. The difference lies in how each council and community responds to their own particular needs.

The Integrated Planning and Reporting framework allows councils and communities to respond flexibly to local need.

The Integrated Planning and Reporting guidelines include the requirement for a community strategic plan to be developed in consultation with groups within the local community and based on principles of social justice. These requirements include considering the needs of Aboriginal and Torres Strait Islander people within each local community.

Local government reform activities in the areas of deregulation and legislative change by the New South Wales Government

During 2014–15, the following legislation was passed by the New South Wales Parliament:

- *City of Sydney Amendment (Elections) Act 2015* (NSW) which gave effect to the recommendation of the New South Wales Parliament's Joint Standing Committee on Electoral Matters that non-residential electors (who contribute in excess of 75 per cent of the rating revenue of the City of Sydney) be given a proportionate voice at elections for the council by providing for the automatic enrolment of up to two eligible non-residential electors with respect to each land holding in the City of Sydney (based on the model that applies to the City of Melbourne).
- *Local Government Amendment (Elections) Act 2015* (NSW) which gave effect to other recommendations made by the New South Wales Parliament's Joint Standing Committee on Electoral Matters including giving prescribed councils the option of conducting their elections by way of universal postal voting instead of attendance voting and allowing councils to opt to fill vacancies arising in the first 18 months of their terms through use of a count back instead of holding a by-election.

During 2014–15, the *Local Government (General) Amendment (Elections) Regulation 2015* (NSW) was made which gave effect to other recommendations made by the New South Wales Parliament's Joint Standing Committee on Electoral Matters including providing for electors of the City of Sydney to be automatically qualified for postal and pre-poll voting and requiring the New South Wales Electoral Commissioner and General Managers as election managers to report on certain information.

Report from the Victorian Government

The extent to which the allocation of funds for local government purposes for your jurisdiction has been made on a full horizontal equalisation basis

The Victoria Grants Commission allocates general purpose and local roads grants in accordance with the National Principles formulated under the *Local Government (Financial Assistance) Act 1995* (Cth).

The methodology used for distributing funding under the Financial Assistance Grant programme to local government for 2014–15 by your Local Government Grants Commission

For each council, a 'raw grant' is obtained which is calculated by subtracting the council's 'standardised revenue' from its 'standardised expenditure'.

The available general purpose grants pool is then allocated in proportion to each council's raw grant, taking into account the requirement in the Australian Government legislation and associated National Principles to provide a minimum grant to each council. Increases and decreases in general purpose grant outcomes have been capped, which also affects the relationship between raw grants and actual grants.

Specific grants are allocated to a small number of councils each year in the form of natural disaster assistance. These grants are funded from the general purpose component and so reduce the amount allocated on a formula basis. Details of natural disaster assistance grants allocated for 2014–15 are found on page 80.

Standardised expenditure

Under the Victoria Grants Commission's general purpose grants methodology, standardised expenditure is calculated for each council on the basis of nine expenditure functions. Between them, these expenditure functions include virtually all council recurrent expenditure.

The structure of the model ensures that the gross standardised expenditure for each function equals aggregate actual expenditure by councils, thus ensuring that the relative importance of each of the nine expenditure functions in the Victoria Grants Commission's model matches the pattern of actual council expenditure.

The total recurrent expenditure across all Victorian councils in 2014–15 was \$7122 million. Under the Victoria Grants Commission's methodology, the gross standardised expenditure in the allocation model for 2014–15 therefore equals \$7122 million, with each of the nine expenditure functions assuming the same share of both actual expenditure and standardised expenditure.

For each function, with the exception of local roads and bridges, gross standardised expenditure is obtained by multiplying the relevant major cost driver by: the average Victorian council expenditure on that function, per unit of need; and a composite cost adjustor which takes account of factors that make service provision cost more or less for individual councils than the Victorian average.

Major cost drivers ('units of need')

The major cost drivers and average expenditures per unit for each expenditure function, with the exception of local roads and bridges, are summarised in Table B-1.

Table B-1 Victorian major cost drivers and average expenditures per unit

Expenditure function	Major cost driver	Average expend per unit (\$)
Governance	Population (adjusted)	68.16
Family and community services	Population	133.47
Aged and disabled services	Population >60 + disability pensioners + carer's allowance recipients	415.27
Recreation and culture	Population	263.87
Waste management	Number of dwellings	298.62
Traffic and street management	Population	117.84
Environment	Population (adjusted)	66.04
Business and economic services	Population (adjusted)	166.28

Several different major cost drivers are used. These are viewed by the Victoria Grants Commission as being the most significant determinant of a council's expenditure need for a particular function.

For three expenditure functions (governance; environment and business; and economic services), an adjusted population is used as the major cost driver to recognise the fixed costs associated with certain functional areas.

The major cost drivers used in assessing relative expenditure needs for these functions take account of high rates of vacant dwellings at the time the census is taken. Councils with a vacancy rate above the Victorian average are assumed to have a population higher than the census-based estimate. For the governance function, councils with an actual population of less than 20 000 are deemed to have a population of 20 000. For the environment function, councils with a population less than 15 000 are assumed to have a population double that amount, to a maximum of 15 000.

Cost adjustors

A number of cost adjustors are used in various combinations against each function. These allow the Victoria Grants Commission to take account of the particular characteristics of individual councils which impact on the cost of service provision on a comparable basis. Each cost adjustor has been based around a state weighted average of 1.00 with a ratio of 1:2 between the minimum and maximum values, to ensure that the relative importance of each expenditure function in the model is maintained.

The 14 cost adjustors used in the calculation of the 2014-15 general purpose grants are: aged pensioners; population growth; English proficiency; population less than six years old; environmental risk; regional significance; Indigenous population; remoteness; urban roads; scale; population density; socio-economic; population dispersion; and tourism.

Because some factors represented by cost adjustors impact more on costs than others, different weightings have been used for the cost adjustors applied to each expenditure function. The Victoria Grants Commission did not make any adjustments to the relative cost adjustor weightings for the 2014-15 allocation.

Net standardised expenditure

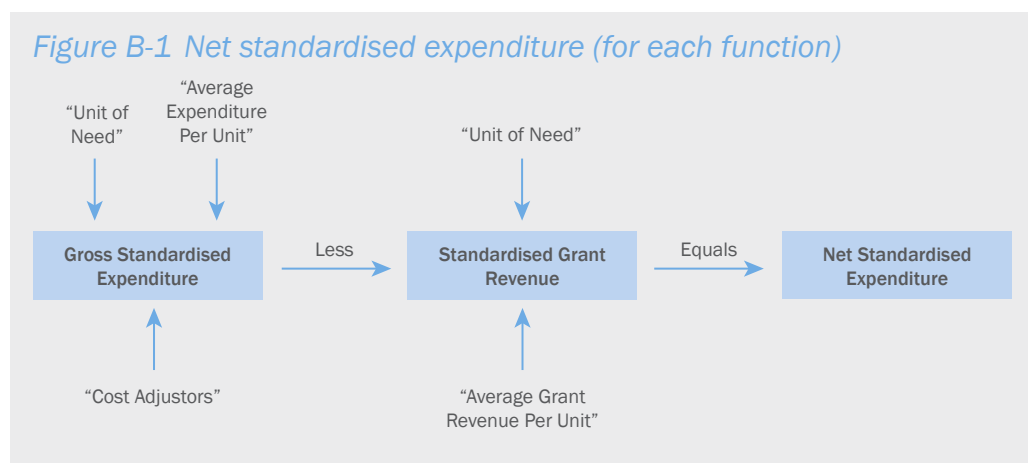
Net standardised expenditure was obtained for each function by subtracting standardised grant support (calculated on an average per unit basis) from gross standardised expenditure. This ensures that other grant support is treated on an inclusion basis.

Average grant revenue on a per unit basis (based on actual grants received by local government in 2013–14) is shown in Table B-2.

Table B-2 Victorian average grant revenue

Expenditure function	Major cost driver	Average grants per unit (\$)
Governance	Population (adjusted)	3.68
Family and community services	Population	36.41
Aged and disabled services	Population >60 + disability pensioners + carer's allowance recipients	183.18
Recreation and culture	Population	7.27
Waste management	Number of dwellings	0.20
Traffic and street management	Population	1.51
Environment	Population (adjusted)	1.32
Business and economic services	Population (adjusted)	2.95

Diagrammatically, the calculation of net standardised expenditure for each expenditure function is shown in Figure B-1.



Standardised expenditure for the local roads and bridges expenditure function within the general purpose grants model is based on the grant outcomes for each council under the Victoria Grants Commission's local roads grants model. This incorporates a number of cost modifiers (similar to cost adjustors) to take account of differences between councils. Net standardised expenditure for this function for each council is calculated by subtracting other grant support (based on actual identified local roads grants and a proportion of Roads to Recovery Programme grants) from gross standardised expenditure.

The total standardised expenditure for each council is the sum of the standardised expenditure calculated for each of the nine expenditure functions.

Standardised revenue

A council's standardised revenue is intended to reflect its capacity to raise revenue from its community. Relative capacity to raise rate revenue, or standardised rate revenue, is calculated for each council by multiplying its valuation base (on a capital improved value basis) by the average rate across all Victorian councils. The payments in lieu of rates received by some councils for major facilities such as power stations and airports have been added to their standardised revenue to ensure that all councils are treated on an equitable basis.

Rate revenue raising capacity is calculated separately for each of the three major property classes (residential, commercial/industrial/other and farm) using a three-year average of valuation data.

The derivation of the average rates for each of the property classes is shown in Table B-3.

Table B-3 Victorian derivation of the average rates

Category	Total average valuations (\$ billions)	Total rate revenue (\$ billions)	Average rate \$
Residential	1051.896	23.019	0.00287
Commercial/industrial/other	203.942	0.733	0.00360
Farm	77.851	0.244	0.00314

The Victoria Grants Commission constrains increases in each council's assessed revenue capacity to improve stability in grant outcomes. The constraint for each council has been set at the state-wide average increase in standardised revenue adjusted by the council's own rate of population growth to reflect growth in the property base.

A council's relative capacity to raise revenue from user fees and charges, or 'standardised fees and charges revenue', also forms part of the calculation of standardised revenue.

For each council, for each of the nine functional areas, the relevant driver (such as population) is multiplied by the adjusted Victorian median revenue from user fees and charges (adjusted to remove the skewing effect of large outliers in the data). For some functions, this is then modified by a series of revenue adjustors to take account of differences between municipalities in their capacity to generate fees and charges, due to their characteristics.

The standard fees and charges used for each function (based on adjusted median actual revenues generated by local government in 2012-13) are shown in Table B-4, along with the revenue adjustors applied.

Table B-4 Standard fees and charges used for each function

<i>Expenditure function</i>	<i>Major driver (units)</i>	<i>Standard fees and charges per unit</i>	<i>Revenue adjustors</i>
Governance	Population	\$11.61	Nil
Family and community services	Population	\$11.01	Socio-economic
Aged and disabled services	Population >60 + disability pensioners + Carer* Allowance recipients	\$55.83	Household income
Recreation and culture	Population	\$18.66	Valuations (per cent commercial)
Waste management	Number of dwellings	\$25.49	Nil
Local roads and bridges	Population	\$0.77	Nil
Traffic and street management	Population	\$5.66	Valuations (per cent commercial)
Environmental protection services	Population	\$0.80	Nil
Business and economic services	Population	\$27.83	Tourism + value of development

The assessed capacity to generate user fees and charges for each council is added to its standardised rate revenue to produce total standardised revenue.

Changes to the methodology for distributing funding to local government under the Financial Assistance Grant programme for 2014–15 from that used in 2013–14

In preparing its estimates of general purpose grants, the Victoria Grants Commission gave careful consideration to specific issues raised by councils through five written submissions and the individual and the regional meetings held throughout the year.

The Victoria Grants Commission has adopted a modified method of determining the median value used in calculating standardised revenue from user fees and charges. For several data series, the Victoria Grants Commission found that large outliers were skewing the data sets, and generally over-representing the broader ability for most councils to raise own-source revenue. As such, the Victoria Grants Commission has adopted an adjusted median figure to use in these calculations, whereby such outliers are removed from the calculation. This alteration has had the effect of lowering the assessed revenue raising capacity of Victorian councils, thereby increasing their assessed level of relative need.

All data used by the Victoria Grants Commission in allocating general purpose grants has been updated where possible. The main updates used for the 2014–15 allocation have been population estimates, valuations data and council expenditure and revenue information.

Variable capping

Due to the Australian Government's decision to pause indexation of funding under the Financial Assistance Grant programme for a three-year period, the Victoria Grants Commission adopted a relatively tight variable capping regime for movements in grant outcomes for 2014–15, compared with 2013–14. For general purpose grants, these caps are:

- increases limited to three per cent, except for councils receiving a minimum grant

- decreases limited to minus two per cent for metropolitan and regional centre councils
- decreases limited to minus one per cent for rural councils.

Minimum grants

The available general purpose grants pool for Victorian councils represents, on average, \$68.60 per head of population (using Australian Bureau of Statistics population estimates as at 30 June 2013). The minimum grant National Principle requires that no council may receive a general purpose grant that is less than 30 per cent of the per capita average (or \$20.58 for 2014–15).

Without the application of this principle, general purpose grants for 2014–15 for 13 councils – Bayside, Boroondara, Glen Eira, Hobsons Bay, Kingston, Manningham, Melbourne, Monash, Moonee Valley, Port Phillip, Stonnington, Whitehorse and Yarra – would have been below the \$20.58 per capita level. The minimum grant principle has resulted in the general purpose component to these councils being increased to this level.

Estimated entitlements

A summary of the changes in estimated general purpose entitlements from 2013–14 to 2014–15 is shown in Table B-5.

Table B-5 Summary of the changes in estimated general purpose entitlements

<i>Change in general purpose component</i>	<i>Number of councils</i>
Increase of more than 3%*	1
Increase of 3% (capped)	11
Increase of 0% to <3%	44
Decrease of 0% to <-1% (rural)	1
Decrease of 0% to <-2% (metro, regional centres)	11
Decrease of -1% (capped) (rural)	7
Decrease of -2% (capped) (metro, regional centres)	4
Total	79

Note: * Increase exceeds 10% due to the City of Melbourne's minimum grant council status.

Natural disaster assistance

The Victoria Grants Commission provides funds from the general purpose grants pool to councils which have incurred expenditure resulting from natural disasters. Grants of up to \$35 000 per council per eligible event are provided to assist with repairs and restoration work. Twenty-three grants to 17 councils have been allocated for 2014–15, totalling \$709 722. This is a considerable decrease from the 40 grants provided in 2013–14, totalling \$1 209 661.

Recommended natural disaster assistance grants from the 2014–15 allocation are shown in Table B-6.

Table B-6 Recommended natural disaster assistance grants for 2014–15

Council	Event type	(\$)
Alpine	Floods and bushfires (two events)	42 426
Ballarat	Storms	35 000
Banyule	Floods	35 000
Bass Coast	Heavy rainfall	35 000
Benalla	Floods and storms (two events)	70 000
Campaspe	Floods	35 000
Cardinia	Storms	25 662
Central Goldfields	Floods and windstorms	35 000
Golden Plains	Bushfires	35 000
Greater Geelong	Storms	35 000
Greater Shepparton	Storms	14 048
Indigo	Storms and tornado (two events)	44 600
Mildura	Floods	30 000
Mount Alexander	Floods and storm	35 000
Pyrenees	Floods and bushfires (three events)	105 000
Strathbogie	Floods and bushfires (two events)	62 986
Towong	Floods	35 000
Total		709 722

Methodology for local roads funding

The Victoria Grants Commission's formula for allocating the local roads component is based on each council's road length (for all surface types) and traffic volumes, using average annual preservation costs for given traffic volume ranges. The methodology also includes a set of five cost modifiers for freight loading, climate, materials, sub-grade conditions and strategic routes and takes into account the deck area of bridges on local roads. The formula is designed to reflect the relative needs of Victorian councils in relation to local roads funding consistent with the National Principle relating to the allocation of local roads funding.

Road and traffic volume data

The allocation of the local roads component for 2014–15 has been based on traffic volume data reported by all councils for the 12 months to June 2013. Similar to previous years, councils were asked to categorise their local road networks according to nine broad traffic volume ranges – four for urban roads and five for rural roads.

Victorian councils reported a total of 129 881 kilometres of local roads as at 30 June 2013, an increase of 419 kilometres or 0.3 per cent more than the length reported 12 months earlier. This is a result of growth on Melbourne's urban fringes, as well as councils' ongoing review of road type categories as assets registers are revised and improved. Variations are provided in Table B-7.

Table B-7 Variations in the length of local roads

<i>Change in length of local roads</i>	<i>Number of councils</i>
Increase of more than 5%	2
Increase of 1% to 5%	13
Increase of up to 1%	23
No change	26
Decrease of up to 1%	8
Decrease of 1% to 5%	7
Decrease of more than 5%	0
Total	79

Asset preservation costs

Average annual preservation costs for each traffic volume range were used in the allocation model to reflect the cost of local road maintenance and renewal.

The asset preservation costs remained unchanged from 2013–14 for the 2014–15 allocations are shown in Table B-8.

Table B-8 Average annual preservation costs for each traffic volume range

<i>Local road type</i>	<i>Daily traffic volume range</i>	<i>Annual asset preservation cost (\$)</i>
Urban	<500	3600/km
	500 – <1000	4900/km
	1000 – <5000	6600/km
	5000+	10 700/km
Rural	Natural surface	350/km
	<100	2500/km
	100 – <500	5200/km
	500 – <1000	5800/km
	1000+	6600/km
Timber bridge		100/m ²
Concrete bridge		60/m ²

Cost modifiers

The allocation model uses a series of five cost modifiers to reflect differences in circumstances between councils in relation to: the volume of freight generated by each council; climate; the availability of road-making materials; sub-grade conditions; and strategic routes.

Cost modifiers are applied to the average annual preservation costs for each traffic volume range for each council to reflect the level of need of the council relative to others. Relatively high cost modifiers add to the network cost calculated for each council, and so increase its local roads grant outcome. No changes were made to the cost modifiers for the 2014–15 allocation.

Grant calculation

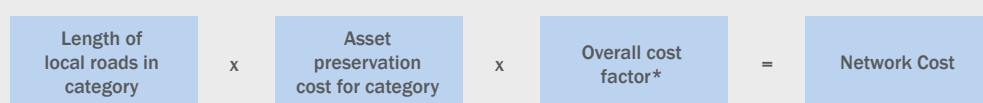
The Victoria Grants Commission calculates a total network cost for each council's local roads. This represents the relative annual costs faced by the council in maintaining its local road

and bridge networks, based on average annual preservation costs and taking account of local conditions, using cost modifiers.

The network cost is calculated using traffic volume data for each council, standard asset preservation costs for each traffic volume range, and cost modifiers for freight carriage, climate, materials availability, sub-grade conditions and strategic route lengths. The deck area of bridges on local roads is included in the network cost at a rate of \$60 per square metre for concrete bridges and \$100 per square metre for timber bridges.

Mathematically, the calculation of the network cost for a single traffic volume range for a council is illustrated in Figure B-2.

Figure B-2 Calculation of the network cost for a single traffic volume range



* Overall cost modifier is calculated by multiplying the cost modifier for freight, climate, materials, reactive sub-grades and strategic routes.

The actual local roads grant is then determined by applying the available funds in proportion to each council's calculated network cost.

Variable capping

Due to the Australian Government's decision to pause indexation of funding under the Financial Assistance Grant programme for a three-year period, the Victoria Grants Commission has adopted a relatively tight variable capping regime for movements in grant outcomes for 2014–15, compared with 2013–14. For local roads grants, these caps are:

- no increases for councils receiving a minimum general purpose grant
- increases limited to three per cent for non-minimum grant councils
- decreases limited to minus two per cent for metropolitan and regional centre councils
- decreases limited to minus one per cent for rural councils.

Estimated entitlements 2014–15

In general, where a significant change has occurred in a council's local roads grant for 2014–15, this is due to a combination of:

- the significant changes made to the allocation model in 2013–14 still flowing through into the 2014–15 allocation
- changes in road classification from kerbed/un-kerbed to urban/rural road length
- changes in traffic volume data supplied by the council to the Victoria Grants Commission.

A summary of the changes in estimated local roads grant entitlements from 2013–14 to 2014–15 is shown in Table B-9.

Table B-9 Changes in estimated local roads grant entitlements in Victoria

Change in local roads grant	Number of councils
Increase of 3% (capped)	17
Increase of 0% to <3%	23
No change	11
Decrease of 0% to <-1% (rural)	2
Decrease of 0% to <-2% (metro, regional centres)	5
Decrease of -1% (capped) (rural)	13
Decrease of -2% (capped) (metro, regional centres)	8
Total	79

Developments in the use of long-term financial and asset management plans by local government

The *Local Government (Planning and Reporting) Regulations 2014* (Vic) introduced greater standardisation in the planning and reporting of Victorian councils. Key strategic documents such as the annual budget, strategic resource plan including statutory financial statements must now be presented in accordance with the *Local government model financial report*. This model report is updated and issued annually. The inclusion of a four-year capital works program, including funding sources and also classifying works into renewal, upgrade, enhancement and new capital works further enhances the long-term financial planning of councils.

A move towards greater integration with planned Victorian infrastructure programmes has also been enhanced through this capital works reporting and analysis.

Improved alignment between long-term financial plans and asset management plans and strategies remains a priority with expenditure of \$8.9 billion forecast over the next four years.

Local Government Victoria issued revised *Best practice guidance in asset management practices* in 2015. A key feature of this guidance has been the alignment with the Institute of Public Works Engineering Australasia Asset Infrastructure Financial Management Manual and commitment to participating in national benchmarking via the national assessment framework.

Actions to develop and implement comparative performance measures between local governing bodies

The 2014–15 financial year was the first year all 79 councils had to report on a range of performance indicators, following the introduction of a new, compulsory performance reporting framework for Victorian councils. Over the year, councils collected data on indicators across 11 service areas including indicators of financial performance and sustainable capacity. Of the 66 indicators, seven are transitional measures that will be reported on from 2015–16 onwards. The framework also includes a checklist of 24 items considered essential for supporting good governance and management in local government.

To support the reporting and availability of performance information in one place, the new *Know your council website* (www.knowyourcouncil.vic.gov.au) was developed. The design and implementation of the website followed an extensive engagement and testing process with councils and the community.

Councils' results will be published on the new *Know your council* website as a part of their 2014–15 annual reports, and on an annual basis. This is the first time all performance information can be collected and compared in one location. Council results will be supported by their own narrative to explain results and tell their story.

In addition to comparative reporting and benchmarking, the *Know your council* website has a council directory and a 'Guide to Councils' with information about how councils work and the range of services delivered.

Reforms undertaken during 2014–15 to improve the efficiency and effectiveness of local government service delivery

Local government reform

Local Government Victoria continues to work collaboratively with the 79 Victorian councils in the pursuit of better practice in procurement and shared services. The formation of the Regional Procurement Excellence Network provides an important avenue to promote best practice and collaboration in procurement practices. It is via this network that successful collaborative procurement projects have been delivered.

The design of reform initiatives continues to be influenced by the accurate collation and reporting of financial data and in particular detailed analysis of established cohorts. Financial reporting reforms provide a solid foundation on which the community and governments can assess the value proposition and effectiveness of this reform tool.

Council profiling and a more sophisticated understanding of historical financial performance have been aligned to the analysis of financial strategies which, by legislation, must reflect all plans and strategies adopted by a council. This commitment to better align infrastructure provision between state and local governments will begin to bear fruit in the years ahead.

Strategic resource plans

Victorian councils must prepare a four-year strategic resource plan under the *Local Government Act 1989* (Vic). The strategic resource plan must take into account services and initiatives contained in any plan adopted by council and contain statements describing the required financial and non-financial resources. An analysis of council 2014–15 strategic resource plans indicated that Victorian councils collectively expect to spend over \$8.95 billion on capital works over the next four years. Further analysis indicates that 74 per cent of this expenditure is committed to asset renewals and upgrades.

Natural disaster and emergency management response

Local councils have a critical role in the planning and delivery of emergency management activities, particularly in supporting local communities. Local Government Victoria works in partnership with the Municipal Association of Victoria and Emergency Management Victoria to ensure local councils can effectively and sustainably meet their emergency management obligations.

As part of this role, Local Government Victoria provides secretariat support for municipal emergency management enhancement groups, which link councils at state and regional levels to collectively strengthen emergency management capability and capacity. The municipal emergency management enhancement groups are recognised as part of Victoria's emergency

management and planning committee structure in the *Emergency management manual Victoria*. The *Municipal emergency management enhancement groups strategic plan 2015-20* sets the direction for greater understanding, collaboration and knowledge sharing within the emergency management sector.

The Victorian Government provides funding through the Municipal Emergency Resourcing Program to help rural, regional and peri-urban councils to ensure they have the staff and resources they need to prepare and support their communities in times of emergency. The Municipal Emergency Resourcing Program helps councils to prepare for and respond to emergency events and has supported changes in response to recommendations made by the 2009 Victorian Bushfires Royal Commission and the 2011 Victorian Floods Review, as well as activities to support vulnerable people in emergencies.

Total funding of \$4.6 million was shared between 64 councils within Country Fire Authority districts in 2014-15 through the Municipal Emergency Resourcing Program. An independent evaluation of the Municipal Emergency Resourcing Program was undertaken in 2015, and continuation of funding to all councils currently funded was announced by the Minister for Local Government in September 2015.

Initiatives undertaken and services provided by local governments to Aboriginal and Torres Strait Islander communities

The Victorian Government has built a community of practice within Victoria which supports councils to actively advance the interests of Aboriginal people in their roles as employer, service provider, statutory planning authority, local leader in reconciliation and procurer of services.

To underpin this, the Victorian Government has committed under its Ministerial Statement on Local Government to implement an Aboriginal Local Government Action Plan. Over 2014-15, Local Government Victoria, the Office of Aboriginal Affairs, the Municipal Association of Victoria, and Reconciliation Victoria held a series of workshops to underpin the development of the Aboriginal Local Government Action Plan. The plan is scheduled for release in 2016.

As an initial action, the Victorian Government has funded the *Maggolee* website. *Maggolee* provides examples of good practice in the way local government engage with Aboriginal communities. This includes policy and programmes, information on protocols and cultural awareness, contact information, relevant local data, news and events, among other information. The objective is for *Maggolee* to provide a platform to celebrate excellence and support improved practice among Victorian local governments engaging Aboriginal communities and advancing reconciliation.

The Local Government Aboriginal Employment Project, led by the Municipal Association of Victoria (which comprises representatives from all of Victoria's 79 councils) continued to: support local government in their active engagement with Indigenous communities; support Indigenous communities as they strengthen their links with local government; encourage partnerships between the state and local governments dealing with Indigenous issues; and improve outcomes for Indigenous people and local government primarily in relation to reconciliation, service delivery, employment and cultural heritage.

Many Victorian councils continued to undertake outstanding work to advance reconciliation and improve service delivery to Aboriginal Victorians.

Local government reform activities in the areas of deregulation and legislative change by the Victorian Government

Local Government Amendment (Improved Governance) Bill 2015

The preparation of the Local Government Amendment (Improved Governance) Bill 2015 is underway to enhance the standard of behaviour in the local government sector, improve the framework for dealing with councillor misbehaviour and strengthen the integrity of council elections. This followed an extensive review undertaken of the councillor conduct framework and a range of other governance issues since May 2013. As part of this review, consultation was undertaken with the local government sector including peak bodies. Over 200 submissions were received.

The amendments to the *Local Government Act 1989* (Vic) are proposed to come into operation in stages. It is envisaged that the first of these amendments will provide greater clarity to the role of councillor, mayor and CEO, abolishing funds for subdivisions and requiring councils to establish an election period policy.

Local Government Amendment (Fair Go Rates) Bill 2015

In accordance with the Victorian Government's commitment, legislation is being developed to provide a framework for capping local government rates. The Fair Go Rates System will be introduced for the 2016–17 financial year. Under the system, increases to municipal rates and charges will be capped in line with increases in the Consumer Price Index unless a council has obtained approval for a higher increase from the Essential Services Commission.

In February 2015, the Victorian Government commissioned the Essential Services Commission to undertake an inquiry and recommend how best to implement this policy.

The Fair Go Rates System will facilitate more opportunities for community engagement in prioritising the work of councils so that Victorians can be assured that their councils are pursuing greater value and have a better understanding of the work performed by councils. Sufficient flexibility has been built into the Fair Go Rates System to ensure that the financial sustainability of councils is not compromised and councils can continue to exercise their authority in responding to the needs and aspirations of the communities they serve.

Local government act review

A comprehensive review of the *Local Government Act 1989* (Vic) has commenced with the preparation of a discussion paper. The detailed discussion paper will look at all aspects of the *Local Government Act 1989* (Vic) and will be made available through an interactive website designed to facilitate extensive consultation with the local government sector and the community. An independent advisory committee has been established to assess the submissions received and advise on reform directions throughout the review.

Reducing the local government reporting burden

An initiative is underway to reduce the reporting burden on councils to enable local government to focus on delivering services important to their communities and improve efficiency. Local Government Victoria is leading work through the Local Government Inter-Departmental Network to identify local government requirements for streamlining or reduction across Victoria. Work is continuing to simplify funding agreements and further streamline reporting between state and local governments.

Victorian state – local government agreement

The new Victorian State – Local Government Agreement was signed by the Victorian Minister for Local Government and Cr Bill McArthur, President of the Municipal Association of Victoria, on 10 September 2014. The simpler more practical agreement reflects feedback from mayors, council chief executive officers and peak bodies from across the state.

Councils in Victoria leading digital transformation

Melbourne City Council Chief Digital Officer

The Melbourne City Council appointed a Chief Digital Officer to lead the council's Smart City Office, bringing thinking and action in four key areas:

- ensuring Melbourne is a preferred location for start-ups and entrepreneurs in technology and biosciences
- building on Melbourne's world-leading reputation as a centre for knowledge, research and higher education
- driving the transformation of City of Melbourne services to embrace customer focus, digital, agile development, and open data
- leading a decisive shift in Melbourne's infrastructure management towards a 'smart city' model, getting more out of the city's infrastructure because it talks to the internet.

Hume City Council library services

The Hume City Council has implemented a state-of-the-art digital management system for library services which streamlines the management of library resources and creates greater efficiency, productivity and improved customer service.

The Radio Frequency Identification System is a self-service system which transforms the way the customer interacts with the Hume City Council libraries and staff. In particular, staff are available to run programmes on the floor, providing greater levels of customer service to the community.

Report from the Municipal Association of Victoria

Developments in the use of long-term financial and asset management plans by local government

Victorian local government has clear statutory requirements to undertake long-term financial planning through strategic resource plans. Strategic resource plans provide a four year forecast of a council's financial plan and is aligned to the actions within the council plan. That is, following an election, a council establishes its goals for a four-year period and the strategic resource plans provides the basis for how these goals will be achieved.

In practice, most councils provide long-term financial projections well beyond the mandatory four-year period, with many forecasting 10 years into the future. With the advent of the rates capping and variation framework, there will be an even greater focus on ensuring that the content of the strategic resource plans is well developed and underpinned by sound and realistic assumptions. Indeed, it is expected that the rates capping and variations framework structure will require councils to develop detailed business plans, service reviews and other analyses to support any required rate increases above the cap level.

Most councils in Victoria have advanced asset management planning capabilities, which have been enhanced by the Municipal Association of Victoria's Step Asset Management Program, which is now a highly mature program that supports councils' asset management capabilities.

Actions to develop and implement comparative performance measures between local governing bodies

The Victorian Government's performance measure project required councils to report the comparative performance data for the first time in their 2014–15 annual reports. The comparative data includes comprehensive range of measures including 66 service and financial measures and a checklist of 24 governance and management indicators. The data are presented on a public website (<https://knowyourcouncil.vic.gov.au/>) allowing the community to make comparisons between councils on a range of performance measures.

The Municipal Association of Victoria and councils have expressed some concerns about the comparability of all data presented. The exact role of community and municipal attributes in influencing councils' performances are not well understood and will need to be explored further in the future to ensure any performance data is meaningful. Issues around comparability have been at least partially addressed by the system by providing important contextual information about each council; only allowing comparisons between similar types of councils; and restricting comparisons to four councils at any one time. However, there are some ongoing concerns that the comparisons do not address data deficiencies and can therefore mislead the community about the performance of their municipality.

Data would also be improved through the adoption of data quality statements to clearly highlight the limitations of the data sets and any factors that need to be considered in interpreting and/or comparing the data.

Reforms undertaken during 2014–15 to improve the efficiency and effectiveness of local government service delivery

Local government funding vehicle

The Municipal Association of Victoria completed an Australian-first bond issue for the local government sector in 2014–15 through the Local Government Funding Vehicle.

Thirty councils from across Victoria participated in the bond issue, raising a volume of \$240 million, across two tranches. The tranches provided councils with access to both five-year and seven-year fixed rate interest only loans. The Local Government Funding Vehicle is Australia's first aggregated funding vehicle for local government and has been labelled as a landmark deal that will establish a municipal bond market in Australia. The Local Government Funding Vehicle has been estimated as having the capability to save the sector \$100 million over ten years.

This project marks a major shift and maturing of the local government sector's approach to debt – primarily moving away from traditional bank loans to directly access credit markets. The strong credit rating of the sector ensures it is able to access funding at a level below the wholesale funding costs of the major banks.

An additional consequence of the Local Government Funding Vehicle is a major shift in the behaviour of the commercial banks in response to this cheaper source of funding. In order to compete with the Local Government Funding Vehicle, the traditional bank loans available to local government have dramatically reduced in price, providing councils with extensive choice at highly competitive rates.

State-wide client management system for the Maternal and Child Health Program

The Municipal Association of Victoria in partnership with the Victorian Government has procured a new state-wide client management system for Maternal and Child Health Program, the Client Development Information System. The Maternal and Child Health Program is a universal service providing support for new parents and their babies from birth to 3.5 years of age and involves trained nurses monitoring the health and wellbeing of all infants in the state and seeking to provide support, guidance and monitoring and identifying at risk families.

The Client Development Information System makes the delivery of healthcare more effective and efficient by:

- improving safety and outcomes
- expediting service delivery
- maximising health care provider utilisation
- keeping costs under control by eliminating duplicate data entry and other significant redundancies.

The system was built as part of an integrated health care solution, the Electronic Knowledge and Information Data System, which is interoperable with legacy and future applications. Additionally, the Client Development Information System can easily be tailored to fit existing information requirements and workflow preferences.

Within a reliable and secure centralised database, functionality includes: tracking client activity; service and history recording; referral workflow; appointment and clinical availability scheduling; clinical assessment; treatment and review; and detailed reporting.

Energy efficient street-lighting

Victoria is facilitating the bulk change-over of inefficient mercury vapour streetlights. More than 60 councils have participated, resulting in significant energy and emissions savings as well as cost savings estimated at hundreds of millions, with associated significant environmental benefits for the community.

Planning reforms

Municipal Association of Victoria STEP Planning Improvement Program

The Municipal Association of Victoria in partnership with the Victorian Department of Environment, Land, Water and Planning completed a pilot of a new land use planning process improvement program to position the sector for the next wave of improvements and efficiencies.

The STEP Planning Improvement Program builds on the success of the previous Municipal Association of Victoria STEP Planning Improvement programme and responds to member feedback that to unlock further improvement in land use planning, a whole of council approach to improvement is required that looks at strategy planning, customer satisfaction and staff development.

The pilot is now complete. Feedback on the pilot is being used to inform the next steps. A total of 50 per cent of the sector has now participated in a Municipal Association of Victoria Planning Improvement Program.

Standard referral agreements

The Municipal Association of Victoria in partnership with the Country Fire Authority established a working group of councils to develop standard referral agreements specifying conditions or requirements that an application must meet. If the conditions are met, a referral is not required and permit assessment is streamlined.

A standard referral agreement for lower categories of applications in Bushfire Management Overlay has been developed. The agreements will cut thousands of referrals out of the planning system and streamline the assessment process. The Country Fire Authority has confirmed that several councils are considering signing up to the agreements.

VicSmart

The Municipal Association of Victoria in partnership with the Victorian Department of Environment, Land, Water and Planning developed an audit and review process to assist councils with meeting the new VicSmart timeframes. Over 300 planners from across Victoria participated in the program. VicSmart is a new fast track planning process designed to streamline minor application. The system was introduced by the Victorian Government in 2014.

Initiatives undertaken and services provided by local governments to Aboriginal and Torres Strait Islander communities

Sustained employment is key to the economic and social wellbeing of all Australians. For Aboriginal people to enjoy the benefits that flow from employment, they need to have jobs. Currently, very few Aboriginal people are employed in Victorian local government. To change this situation, considerable development work has been required, and for some years the Municipal Association of Victoria has been undertaking an Aboriginal employment project which seeks to assist Victorian Aboriginal people by increasing employment opportunities in local government. The Municipal Association of Victoria has provided its own resources towards this project alongside a contribution of funding from the Victorian Department of Economic Development, Jobs, Transport and Resources.

Through the development of a Victorian Local Government Aboriginal Engagement and Employment Framework, there has been increased participation of Aboriginal people in the local government sector. The framework, which is based on the structure of reconciliation action plans developed by Reconciliation Australia, has provided a tool for councils to align their employment strategies with the work councils have already undertaken through their reconciliation action plans. Specific outcomes in 2014–15 include:

- production of a state-wide employment framework tool
- facilitation and building of meaningful relationships between councils and their local Aboriginal communities is creating a better environment for employment of Aboriginal people
- the employment of an Aboriginal employment adviser at the Municipal Association of Victoria has given councillors and council staff greater confidence to become involved with and connect with local Aboriginal communities
- an associated increase of symbolic recognition of Aboriginal Australians in the local government setting, including greater numbers of councils flying the Aboriginal flag permanently outside council offices
- increased Aboriginal community knowledge of the local government sector through use of social media networks utilised by Aboriginal communities to promote local government positions
- more than 20 positions created within councils specifically for Aboriginal job candidates.

Local government reform activities in the areas of deregulation and legislative change by the Victorian Government

Rates capping and variation

The Victorian Government announced its intention to introduce a rates capping and variations framework for local government, commencing in 2016–17. In 2014–15, the Victorian Government requested that the Essential Services Commission undertake an inquiry into the appropriate framework for the rates capping and variations policy. The Essential Services Commission report will be completed in the first half of 2015–16 with the framework to commence on 1 July 2016. The proposed framework will establish a cap to rates and councils will be required to apply to the Essential Services Commission to increase their rates above the cap. It is likely that this will influence the type and level of long-term financial planning undertaken by councils.

Governance reform

The Local Government Electoral Review panel completed its review of the sector's electoral systems and structures. The review recommended significant reform to the electoral system used by the sector, including:

- broadening the voter franchise for council elections
- implementing compulsory voting across all voter classes
- changes to the candidate eligibility and nomination processes
- reform of campaign donation framework
- removal of candidates' how-to-vote cards from the voter pack
- modest changes to the operation of the caretaker process
- changes to clarify the role of the Victorian Electoral Commission, including its role as a monopoly provider of electoral services to councils and their role as the handler of complaints about electoral matters
- the number of councillors for each municipality
- the basis for electoral structures selected by the Victorian Electoral Commission through their periodic electoral reviews.

Councils in Queensland leading digital transformation

Brimbank City Council – integrated online platform

The Brimbank City Council created an integrated online platform to assist residents and service users to access council's services providing improved customer experiences for their community.

With business cases to develop the right digital infrastructure being very costly and hard to implement, Brimbank has taken a customer-centric approach through their business transformation project #CommunityFirst to make life easier for the community when dealing with council, rather than placing the primary importance on what is beneficial for the government. It is increasingly obvious that people in the community lead busy lives and typically do not seek to engage with the local council unless it is absolutely necessary, so giving them a great customer experience is very important. This has initiated some of the council's goals to develop a new transaction based and mobile responsive website, a payment gateway and master customer database that will enable 'one view of customer', by April 2016. By advancing a strong digital and customer-focused agenda Brimbank City Council is aiming to show that it will yield many benefits for the community that demands to be able to interact with Brimbank City Council through digital means.

City of Boroondara online/mobile services and information model

In building the new City of Boroondara online/mobile services and information model, the project will be adopting the design principles and criteria set down by the Australian Government Digital Service Standard. The City of Boroondara recognises that its current online and mobile presence needs to change to become a more customer centric service model in order to meet increasing customer expectations.

Redevelopment of the City of Boroondara website and mobile presence as key customer-centric service channels will be a significant, enterprise-scale project that will occur on a multi-year schedule and involve substantial collaboration with both staff and the community as co-designers of the new digital services model.

The aim of the digital transformation programme is to transform the Boroondara digital customer experience into one that places the customer at the centre and delivers a more seamless, convenient and empowering experience for all customers.

Report from the Queensland Government

The extent to which the allocation of funds for local government purposes for your jurisdiction has been made on a full horizontal equalisation basis

The Queensland Local Government Grants Commission currently uses four cost adjustors to achieve fiscal equalisation for the general purpose component, those being:

1. location – recognising that rural, remote and Indigenous communities generally have higher costs associated with service delivery
2. scale – recognising that smaller councils cannot achieve the economies of scale that larger, metropolitan councils can achieve
3. demography – recognising that the cost of service provision varies with demographic circumstances, in this case: children/youths under 19 years of age; people over 65 years of age; Aboriginal and Torres Strait Island people; and, out of recognition of higher morbidity and mortality rates, Aboriginal and Torres Strait Island people over 50 years of age
4. capacity to pay – recognising that the wider economic circumstances of a community may inhibit its ability to levy rates.

All the data for these cost adjustors is from the Australian Bureau of Statistics, except the location cost adjustor, which is based on the Accessibility/Remoteness Index for Australia, developed by the University of Adelaide. Scale and demography cost adjustors are derived from various population datasets, while capacity to pay is based on the Socio-Economic Index for Areas.

The Queensland Local Government Grants Commission has expressed a desire to use data that would indicate tourism and fly-in-fly-out and drive-in-drive-out workers. However, as this data is not currently available, expenses are not adjusted to accommodate these factors.

As below, the local roads component has remained unchanged, using the same simple formula as used in previous years. In the 2011–12 review of the methodology, submissions from councils in this regard almost uniformly agreed that the formula was appropriate.

The general purpose component was reviewed at the same time and it was decided that a higher number of the large, metropolitan councils should be on the minimum grant. The result was an increase of minimum grant councils from two to nine, with rural and Indigenous councils, which have limited revenue streams, to have their general purpose component raised significantly. To avoid sharp increases or decreases, a capping regime of plus 15 per cent and minus 10 per cent was implemented, with the aim of all councils being at their 'natural' allocation. Unfortunately, with the pausing of indexation under the Financial Assistance Grant programme from 2014–15, the Queensland Local Government Grants Commission felt it necessary to narrow these amounts to plus or minus three per cent until 2017–18 when the pause is removed.

The only remaining issue with regard to horizontal equalisation is road data, which can influence a council's allocation. The Queensland Local Government Grants Commission has been undertaking audits of council road data since 2009–10, with a view to ensuring equity across Queensland. Interestingly, these audits have found approximately half of councils have been understating their road network, and thus have received a lower level of funding than they had been entitled. Therefore, the Queensland Local Government Grants Commission in its visitation programme places a large emphasis on quality of road data being submitted.

The methodology used for distributing funding under the Financial Assistance Grant programme to local government for 2014–15 by your Local Government Grants Commission

General purpose component

A new methodology was implemented for the general purpose component in 2011–12 and has continued to be used since that point in time. The new methodology complies with the National Principles and no further changes were made for the 2014–15 grant allocation.

As in previous years, every local governing body in Queensland is entitled to a minimum grant under the National Principles. This minimum grant is equivalent to a per capita distribution of 30 per cent of the general purpose pool. In 2014–15, this amount equated to \$20.56 per capita. The remaining 70 per cent of the general purpose pool is distributed according to relative need.

To determine relative need, the methodology derives averages for revenue raising and expenditure on service provision to be applied to all local governments within Queensland. Note that since 2013–14, data has been collected from all Indigenous councils, resulting in a more complete dataset and more accurate averages.

After application of these averages, the Queensland Local Government Grants Commission uses various cost adjusters which allow for factors outside a council's control which affect its ability to raise revenue or provide services, again in keeping with the National Principles.

Assessing revenue

The Queensland Local Government Grants Commission uses the revenue categories of: rates; other grants and subsidies (as per the National Principles); garbage charges; and fees and charges. This is summarised in Table B-10.

The rating assessment has remained: the total state rate revenue is divided by the total state land valuation (10-year average) to derive a cent in the dollar average, which is then multiplied by each council's total land valuation (10-year average). Note that both the state total and individual council valuation figures above are an average of ten years, to avoid excessive fluctuations.

This is then adjusted to allow for each council's capacity to raise rates, using Australian Bureau of Statistics Socio-Economic Indexes for Areas. The methodology uses three of the indices:

- Index of Relative Socio-economic Advantage and Disadvantage (Socio-economic Indexes for Areas 2)
- Index of Economic Resources (Socio-economic Indexes for Areas 3)
- Index of Education and Occupation (Socio-economic Indexes for Areas 4).

Because Indigenous councils do not generally levy rates, 20 per cent of their Queensland Government Financial Aid allocation is used as a proxy for rate revenue.

Fees and charges are averaged on a per capita basis. Garbage revenue is averaged on the basis of the number of bins serviced for each local governing body.

In accordance with the National Principle for other grant support, grants relevant to the expenditure categories considered by the Queensland Local Government Grants Commission are included as revenue according to the actual amounts received by council. Three grants are included by the Queensland Local Government Grants Commission, as follows:

- previous year's local roads component of the Financial Assistance Grant programme (50 per cent)
- Queensland Government financial aid (Indigenous councils only – 20 per cent)
- minimum grant component of previous year's general purpose component of the Financial Assistance Grant programme (100 per cent).

Table B-10 Queensland revenue assessment model

Revenue category	Revenue driver(s)	Unit of measure (state average)
Rates	Total valuations	Average cent in dollar rates: \$0.01
Garbage charges	Number of bins serviced	\$419 per bin serviced
Fees and charges	Population	\$359 per capita
Other grants	Actual grants received	Identified road component of the Financial Assistance Grant programme (50 per cent used); state government financial aid (20 per cent) and minimum grant component of the general purpose grant allocation of the Financial Assistance Grant programme (100 per cent)

Assessing expenditure

With regards to the expenditure assessment, the Queensland Local Government Grants Commission includes nine service categories: administration; public order and safety; education, health, welfare and housing; garbage and recycling; community amenities, recreation, culture and libraries; building control and town planning; business and industry development; roads; and environment.

The Queensland Local Government Grants Commission considers which of the suite of cost adjusters are applied to which service categories. Table B-11 outlines the expenditure categories, the units of measure and the cost adjusters applied in assessing the cost of service provision.

Table B-11 Outline of Queensland expenditure assessment 2014-15

Service expenditure category	2014-15 unit of measure	Services cost adjustors				
		Location	Demography – Indigenous	Demography – age	Demography – Indigenous/age	Scale
Administration	Actual remuneration category + \$406 per capita + \$422 per property/\$135 per capita (Indigenous councils)	✓				✓
Public order and safety	\$30 per capita	✓	✓	✓	✓	✓
Education, health, welfare and housing	\$26 per capita	✓	✓	✓	✓	✓
Garbage and recycling	\$281 per bin/\$94 per capita (Indigenous councils)	✓				✓
Community amenities, recreation, culture and libraries	\$180 per capita	✓	✓	✓	✓	✓
Building control and town planning	\$218 per residential property /\$68 per capita (Indigenous councils)	✓				✓
Business and industry development	\$49 per capita	✓				✓
Environment	\$116 per residential property/\$39 per capita (Indigenous councils)	✓				✓
Roads	Road expenditure assessment	✓				✓

Local roads component

This component is allocated on the basis of the relative need of each local government for roads expenditure and to preserve its road assets. In the opinion of the Queensland Local Government Grants Commission, a formula based on road length and population best meets this National Principle for Queensland. The formula is: 62.85 per cent of the pool is allocated according to road length and 37.15 per cent of the pool is allocated according to population.

Roads expenditure

The Queensland Local Government Grants Commission uses an asset preservation model to assess road expenditure, estimating the cost to maintain a council's road network, including bridges and hydraulics.

Table B-12 provides the traffic volumes, base cost and cost adjustors.

Table B-12 Queensland road expenditure assessment model

		Cost adjustors (%)										
		Climate		Soil sub-grade			Locality on-cost		Terrain			
	Traffic volume range (adjusted vehicles per day)	Base cost (\$/km)	Favourable (TI -50)	Adverse (TI +100)	Good (CBR>10)	Poor (CBR<5)	MR Reactive	<1.0p/km ²	<0.1p/km ²	Undulating	Hilly	Mountainous
Rural	Unformed	294	-	25.0	-	-	-	5.0	10.0	2.0	5.0	-
	<40	588	-	20.0	-	-	-	5.0	10.0	2.0	5.0	-
	40-150	2812	-	20.0	-	10.0	10.0	5.0	10.0	2.0	5.0	-
	150-250	5110	-10.0	15.0	-5.0	10.0	10.0	2.5	5.0	2.0	5.0	10.0
	250-1000	7216	-7.5	10.0	-5.0	10.0	10.0	2.5	2.5	2.0	5.0	10.0
	1000-3000	9136	-7.5	10.0	-5.0	10.0	10.0	2.5	2.5	2.0	5.0	10.0
	>3000	12 583	-7.5	10.0	-5.0	10.0	10.0	2.5	2.5	2.0	5.0	10.0
Urban	<500	10 053	-7.5	10.0	-2.5	5.0	5.0	2.5	2.5	-	2.0	5.0
	500-1000	15 634	-7.5	10.0	-2.5	5.0	5.0	2.5	2.5	-	2.0	5.0
	1000-5000	24 853	-7.5	10.0	-5.0	10.0	10.0	2.5	2.5	-	2.0	5.0
	5000-10 000	45 079	-7.5	10.0	-5.0	10.0	10.0	2.5	2.5	-	2.0	5.0
	>10 000	77 046	-7.5	10.0	-5.0	10.0	10.0	2.5	2.5	-	2.0	5.0

Allowances are given for heavy vehicles, which increase the road usage, increasing a council's road expenditure amount. These are outlined in Table B-13.

Table B-13 Allowances given for heavy vehicles in Queensland

Heavy Vehicle	Allowance
Light to medium trucks, two axles	= 1 vehicle
Heavy rigid and/or twin steer tandem	= 2 vehicles
Semi-trailers	= 3 vehicles
B doubles	= 4 vehicles
Road trains	= 5 vehicles

Cost adjustors

Cost adjustors are indices applied to expenditure categories to account for factors outside a council's control that impact the cost of providing services to its community.

The current methodology uses the following cost adjustors:

- location – represents the additional costs in the provision of services related to the council location and is based on the Accessibility/Remoteness Index for Areas
- scale – recognises economies of scale and is based on a sliding scale from one to two, with any council with a higher population than the average having a cost adjustor of one and the smallest council in Queensland with an adjustor of two

- demography – represents the additional use of facilities and increased service requirements due to the composition of the population according to age and Indigenous descent. These are calculated on a sliding scale from one to two reflecting the proportion of residents who are Indigenous, aged, young and Indigenous people over 50 years of age.

Table B-11 identifies which cost adjusters are applied to the service categories.

Scaling back

The Queensland Local Government Grants Commission again used an equal weighting of proportional and equalisation scaling to ensure that each council received an equitable allocation, as the aggregate assessed need exceeded the quantum of the available funding for 2014–15.

Application of the minimum grant principle

In 2014–15, the Queensland Local Government Grants Commission determined, on the basis of the methodology, that the following nine councils were to receive the minimum grant allocation of the general purpose component: Brisbane City Council; Gold Coast City Council; Ipswich City Council; Logan City Council; Redland City Council; Moreton Bay Regional Council; Sunshine Coast Regional Council; Cairns Regional Council; and Noosa Shire Council.

Changes to the methodology for distributing funding to local government under the Financial Assistance Grant programme for 2014–15 from that used in 2013–14

There were no changes to the methodology in 2014–15, with the exception of the capping regime used having been reduced to plus or minus three per cent.

Developments in the use of long-term financial and asset management plans by local government

All Queensland local governments are required to have long-term financial forecasts covering at least 10 years and to update the forecasts annually. To assist local governments to comply with this requirement, Queensland Treasury Corporation maintains the Local Government Forecast Model. The Local Government Forecast Model is available to all Queensland local governments and includes five years of historical data and 10 years of forecasts. In September 2014, Queensland Treasury Corporation released an updated Local Government Forecast Model version which incorporates improved features including the ability to undertake scenario modelling. A workshop series was conducted around Queensland to inform, educate and assist local government finance officers in the appropriate use and features of the model.

Actions to develop and implement comparative performance measures between local governing bodies

The provision of information by the Queensland Government to the community continued through the *2013–14 Queensland local government comparative information report* produced in 2014–15. This report assists local governments in their endeavours to develop new and more effective ways to deliver their services by providing an effective tool by which they can monitor trends over time and benchmark services performance both internally and with other councils.

Reforms undertaken during 2014–15 to improve the efficiency and effectiveness of local government service delivery

Following the Queensland Auditor-General's Report on Fraud Management in Local Government, the Queensland Government amended the *Local Government Regulation 2012* (Qld) and the *City of Brisbane Regulation 2012* (Qld) to require local governments to report fraud losses to both the Queensland Auditor-General and the Queensland Minister for Local Government. In addition, local governments are now required to keep written records of alleged and proven fraud-related losses.

These changes provide consistency with Queensland's reporting requirements under the *Financial and Performance Management Standard 2009* (Qld) and would enable the Queensland Department of Infrastructure, Local Government and Planning and the Queensland Audit Office to monitor reported fraud losses from local governments to identify possible training or support needs for those local governments disclosing large losses or numbers of losses.

Initiatives undertaken and services provided by local governments to Aboriginal and Torres Strait Islander communities

The Queensland Government continued to provide funding to Indigenous local governments to support the provision of local government services to their communities. In 2014–15, the funding pool for the Queensland State Government Financial Aid for Queensland's 16 Indigenous councils was \$31.8 million. This was provided across two components. \$28.8 million was distributed with each council receiving an allocation, in lieu of rates, to assist in the delivery of local government services such as community and town planning, urban storm water management, roads, environment and transport and water and sewerage.

The \$3 million Service Delivery Fund was the second component of the Queensland State Government financial aid in 2014–15. The objective of the Queensland State Government Financial Aid Service Delivery Fund was to support Indigenous councils to deliver services efficiently and build long-term financial sustainability by maximising opportunities to reduce operating costs and increase own-source revenue. Each Indigenous council received an allocation based on initiatives undertaken to reduce operating costs and to increase own-source revenue.

Other funding provided by the Queensland Government to Indigenous councils in 2014–15 included \$3.5 million under the Revenue Replacement Program, an initiative under Queensland's alcohol-related harm reduction strategy for nine Indigenous local governments that compulsorily surrendered their council-held liquor licences in 2009. Funding was provided to assist councils to maintain community services previously funded by the profits from alcohol sales.

Under the Indigenous Economic Development Grant programme, Queensland continued its commitment to support Indigenous councils to employ municipal services staff. Each eligible council received \$80 000 to support 1.6 full-time equivalent positions, except for Yarrabah and Palm Island Aboriginal Shire Councils and Northern Peninsula Area Regional Council, which each received \$160 000 to support 3.2 full-time equivalent positions.

Local government reform activities in the areas of deregulation and legislative change by the Queensland Government

The following local government legislative reforms implemented in 2014–15 further empower and support local governments to increase their efficiency and effectiveness:

- the *Local Government Legislation Amendment Act 2014* (Qld) reforms the *Local Government Electoral Act 2011* (Qld) by aligning, where appropriate, Queensland Government and local government electoral systems, including introducing voter photo identification and electronically assisted voting for the blind and vision impaired and voters needing help due to disability, motor impairment or insufficient literacy
- the *Local Government and Other Legislation Amendment Act 2015* (Qld) returns to the Electoral Commission of Queensland the power to appoint the returning officer for a local government election to ensure that local government elections are run to the same standards of independence and efficiency as state and federal elections. The change continued the Queensland Reconstruction Authority after 30 June 2015 in recognition of the integral work of the Authority in preparing for, responding to, and recovering from, natural disasters
- the *Building Queensland Act 2015* (Qld) came into effect on 3 December 2015 establishing Building Queensland as an independent statutory advisory body. This body aims to ensure a consistent and efficient standard of cost-benefit analysis of projects across the Queensland to make robust recommendations to the Queensland Government on infrastructure priorities
- the draft *Local Government Legislation Amendment Regulation (No. 1) 2015* to implement a recommendation from the Queensland Audit Office report for the 2014–15 financial year *Fraud Management in Local Government* (tabled in the Queensland Parliament on 2 June 2015), that local governments report loss as a result of fraud and to keep written records of alleged and proven losses arising from fraud.

In 2012, as part of its red tape reduction initiative, the former Queensland Government undertook a review of the *Local Government Act 2009* (Qld) and *City of Brisbane Act 2010* (Qld), resulting in the amalgamation of six regulations under those Acts into two regulations. Regulatory requirements were decreased by 40 per cent through removing 448 requirements with the reduction largely due to a streamlining of regulation applying to local government business entities. In 2014–15, Queensland continued to work with local governments and the community to improve and reduce unnecessary regulation.

As part of its commitment to deliver better planning for Queensland, the Queensland Government has begun work on replacing the current planning legislation with a new and easy to understand planning legislation.

Councils in Queensland leading digital transformation

Townsville City Council – Cloud19 Strategy, MiTownsville Programme and Virtual Townsville

Townsville City Council developed its Cloud19 Strategy in early 2015 to deliver a key information architecture business strategy providing the strategic direction for how council could leverage cloud services to improve service delivery and customer experience; improve asset and financial planning; and enable opportunities for collaborative partnerships within North Queensland.

Council is progressing a managed communication, mobile, network, security and computer services tender to realise the expected benefits of the Cloud19 Strategy, while also putting in place the necessary cloud foundations, including contemporary identity management which is key to the success of cloud services implementation.

The Cloud19 Strategy has realised a number of successes, including the application of software systems: Office365, cloud-based intranet and internet redevelopment, and industry specific solutions such as Dial Before You Dig.

The recent implementation of the Virtual Desktop Strategy through a pilot deployment of 300 virtual desktops, as well as implementation of a more modern remote access solution has proven a key enabler of mobility, providing flexibility for the organisation and allowing access to information anywhere, anytime on any device.

The MiTownsville Programme was developed to leverage opportunities presented as a result of Townsville's status as a first-release National Broadband Network site within Australia. A number of key initiatives have been successfully implemented providing direct benefit to the community, including:

- MiCouncil – public wi-fi (enhanced connectivity across numerous public spaces); Digital Citizenship (single ID pilot conducted)
- MiHub – community engagement (click to chat, video community engagement)
- MiCloud – business intelligence, data analytics, Big and Open Data (piloted to set the platform for future full scale deployment).

Spatial technologies are a key component of council's digital programmes, with a number of initiatives integrating analytics with spatial technologies to deliver high-value analysis and modelling outcomes. Virtual Townsville provides a 3D spatial representation of Townsville for a range of applications including town planning, development assessment, disaster management and environmental modelling.

Ipswich City Council – InfoCity Plan

Ipswich City Council has put in place a range of online services for its ratepayers to use. It is also pushing ahead to be a leader of the digital economy with the Ipswich City Council InfoCity Plan to be underpinned by state-of-the-art broadband access. The Ipswich City Council has put in place a range of online services for its ratepayers to use, including: infringement notices, rate payments, rates enquiries, alternative payment options, invoice payments, animal registration renewal payments, new animal registration, licence payments, road closures, change of mailing address, Map Search, application enquiries, property enquiries, property and rates search, planning and development online and flood map search.

Report from the Local Government Association of Queensland

Developments in the use of long-term financial and asset management plans by local government

Queensland councils have legislative responsibilities for approximately \$89 billion worth of community assets. The Local Government Association of Queensland and its subsidiaries currently provide over 50 different products, services and capabilities in the realm of asset management. Councils are asset centric businesses. A significant proportion of their annual budget is allocated to the operation, maintenance and renewal of existing assets in addition to providing new assets through capital investment. It therefore presents a significant risk and opportunity for councils requiring due care and attention.

The Queensland Auditor-General reported at June 2014, that local government assets totalled \$72.1 billion with \$1.5 billion spent during the financial year on asset renewals. Relative to the annual operating revenues of the Queensland State Government and the Australian Government, councils are significantly more asset intensive, and are by several degrees more responsible and more exposed to asset management efforts.

Queensland councils have (as a legislative requirement) developed, adopted and made use of long-term financial and asset management plans, with a strong focus on long-term sustainability. The Queensland Treasury Corporation maintained its local government support with its 10-year financial modelling tool and on-request financial sustainability assessments. The Local Government Association of Queensland's Total Solutions also offers assistance to councils in improving asset management practices.

In June 2015, the Local Government Association of Queensland extended Queensland local government's self-insurance operations to include council assets. The assets self-insurance scheme has an initial membership of 33 councils and this number is expected to increase as more councils come to the renewal date for their current cover. A key objective of the assets scheme is to directly assist member councils to enhance their asset management processes and outcomes. The first stage has commenced and involves risk engineers visiting councils and providing risk exposure and management advice for major assets. Direct support will also be provided to enhance asset registers and better integrate upgraded asset data with each council's internal systems and operations.

In addition, activities undertaken by the Queensland Water Regional Alliance Program (a pilot launched in late 2011 in four regions to develop new joint water and sewerage management approaches) included operational staff training, aligning drinking water quality management plans across councils, price benchmarking, tendering arrangements, sharing laboratory services where possible and regional asset management frameworks. In 2015, the Queensland Government allocated \$1.8 million over three years to retain and expand the Queensland Water Regional Alliance Program. Regional Queensland, along with New South Wales, is the only part of Australia where water services are provided primarily by local government.

Actions to develop and implement comparative performance measures between local governing bodies

At the October 2014 Local Government Association of Queensland Annual Conference, Queensland councils committed to the establishment of the Better Councils, Better Communities campaign. This state-wide campaign aimed to focus attention on productivity,

efficiency and innovation as drivers of improved financial sustainability. Three supporting initiatives were launched by the Local Government Association of Queensland to assist member councils:

- performance benchmarking service – called Ready.Set.Go.
- best practice portal – showcasing global, domestic and local case studies of local government innovation
- *#77 Stories* – a public website to promote the good work of Queensland councils.

The Ready.Set.Go. performance benchmarking service currently provides Queensland councils with access to 25 key performance indicators covering statutory performance ratios, financial sustainability, revenue sources, service levels, measures of efficiency along with socio-economic data. Additional key performance indicators will be added in 2016.

The service allows individual councils to compare their own performance over time (trend identification) as well as providing access to a range of simple visualisation tools that can be used to compare performance. Performance assessments within the service can be made with neighbouring shires, other Queensland councils of similar size or similar characteristics, and if required, with almost any other council within Queensland.

An additional benefit of the service is the ability to view multiple key performance indicators together helping to identify correlations and relationships between different performance measures and assisting with comprehension. Key performance indicators that lead to improved understanding and identification of asset management performance, changes in council revenues and changing socio-economic trends have been a particular focus of the project.

The Ready.Set.Go. performance benchmarking platform has been made available to all elected members and staff via the Local Government Association of Queensland's state-wide local government portal. The Local Government Association of Queensland has also been working with both individual councils and regional groupings of councils on a number of satellite performance measurement and benchmarking projects aimed at further strengthening the collection and analysis of local government data.

Reforms undertaken during 2014–15 to improve the efficiency and effectiveness of local government service delivery

Online resources

The Local Government Association of Queensland continues to provide a large suite of online resources to local governments. A recent initiative was the establishment of the Legislation Compliance service. This subscription based service provides a central depository that contains local governments' current legal compliance obligations (derived from both Australian Government and Queensland Government legislation). This service allows local governments to view, search, undertake assessments and run reports on their legal obligations. There are now 34 subscribers to the service, including one water authority. The service now contains over 6000 compliance obligations of which over 4500 are mandatory on local governments.

Shared service arrangements

Queensland councils continue to participate in large scale shared service arrangements primarily set up by the Local Government Association of Queensland as subsidiary companies.

Independent analysis has shown these subsidiary businesses continue to save participating councils \$100 million per annum (conservatively). They are:

- Local Government Infrastructure Services
- Total Solutions
- Propel Partnerships
- Local Buy
- Resolute IT
- LGM Queensland
- Local Government Workcare
- Queensland Local Government Health Plan.

Local Government Infrastructure Services

Local Government Infrastructure Services is an infrastructure advisory and innovation company celebrating 10 years serving local governments across Queensland. Local Government Infrastructure Services is wholly owned by the Local Government Association of Queensland and focused on delivering quality outcomes for councils. Significant achievements for this year include:

- securing construction approval for the first local government owned geothermal plant in Australia with a further 10 projects in development
- commencing work with Winton Shire Council to rebuild an improved visitor centre after the iconic Waltzing Matilda Centre was destroyed in a fire
- developing an innovative asset management service to support small to medium councils in decision making, resourcing and meeting regulatory requirements
- providing strategic advice on energy-saving initiatives for a range of Queensland councils, large and small, across the state
- developing a tailored waste pricing model for local government with the aim to share costs, knowledge, and future innovations.

Total Solutions

Total Solutions is a fee-for-service tailored business solutions and training for councils. Services include industrial relations, organisational and economic development, governance and delegations support, performance management, media and communications planning, and executive level coaching and mentoring. Specifically developed during 2014-15 were:

- new accredited courses including Certificate IV and Diploma in Leadership and Management, Diploma of Local Government Administration – Asset Management Focus
- an upgraded internal audit service plus Audit Committee Panel for provision of independent audit committee members for smaller councils
- the launch of new eLearning services including hosted platform and new tailored content
- a wide range of new short courses focused on leadership and management skills and desktop applications
- new recruitment offerings to assist with hard-to-fill positions and a short-term contractor placement offering.

Propel Partnerships

Propel Partnerships is a Special Purpose Vehicle joint venture specifically created in 2006 to partner with public sector organisations to drive efficiency and productivity primarily through customer services and support services led transformation programmes.

Propel Partnerships has in 2014–15 initiated two further partnerships creating Integrated Service Centres to provide these shared services to local governments. One of those partnerships has in its first year delivered over \$1 million in efficiency gains. This year, Propel Partnerships instigated two new efficiency and productivity review market offerings designed to identify, quantify and drive efficiency and productivity across all local government operations, goods and services.

In terms of other shared services operations, the 24/7 Out of Hours and Disaster Management Contact Centre, launched in 2013 to offer standard out-of-hours call centre support and ongoing disaster management support to councils, continues to grow. Propel Partnerships has now partnered with 11 councils and four non-council clients including one Queensland Government department. In addition, a successful licensed debt recovery service is supporting three councils, and a records digitisation service is now well established supporting two additional councils.

Local Buy

Local Buy is a procurement business that was set up in 2001 to aggregate the buying power of local government, shorten procurement timeframes and streamline the interaction of business and councils. During 2014–15, key projects involved:

- developing and completing more training modules for council and on-line training services
- placement of a new officer in Townsville to service North Queensland
- completion and full operation of a Civil Works and Road Resurfacing Panel.

Resolute IT

Resolute IT is an information technology business that delivers web hosting, managing and consulting services, with over 80 per cent of Resolute's customers based more than 200 kilometres from Brisbane. Resolute also assists councils with new hybrid cloud solutions.

Local Government Mutual Liability Queensland (LGM Queensland)

LGM Queensland is a legal liability self-insurance scheme. The scheme's financial position enabled it to determine that further surplus funds were available for distribution to members. With the support of the Local Government Association of Queensland, arrangements have been made for a total of \$2 million to be distributed to continuing LGM Queensland members as part of the 2015–16 member contribution invoicing process. This distribution follows the membership dividend provided by way of a reduction in 2014–15 member contributions resulting in total 2014–15 contributions being less than those in 2013–14.

Members also continued to receive contribution rebates based on implementation of risk management procedures. LGM Queensland's ongoing risk management support again included development and updating of advisory guides for management of risks associated with major local government responsibilities, upgrading of LGM Queensland's free risk management software and on the ground professional support provided by regional risk coordinators.

Local Government Workcare

Local Government Workcare is a workers' compensation self-insurance scheme jointly driven by Queensland councils, council controlled entities and the Local Government Association of Queensland. During 2014-15 Local Government Workcare determined that a further \$2 million in surplus funds was available to be distributed to members during 2015-16. The distribution brings the total of surplus funds distributed by Local Government Workcare since its inception in 1998 to \$14.4 million.

A priority of the scheme during 2014-15 has been to minimise the financial impact on members of ongoing uncertainty over workers' compensation legislation and particularly the right of access to common law damages for workplace injuries. Local Government Workcare has taken a prudent approach to recognising savings from legislation introduced by the Queensland Government limiting common law access rights. This reflects the objective of maintaining a stable and predictable financial environment for members.

Local Government Workcare has also continued to refine the broad range of injury and risk management services provided to members. Further enhancement of the SAFE PLAN safety management system audit programme has provided members with new electronic tools that reduce the time taken to complete internal audits and prepare action plans. The internal audits form part of an integrated audit programme.

Queensland Local Government Health Plan

Queensland Local Government Health Plan is a joint initiative of the Local Government Association of Queensland and Choosewell Health Link that aims to reduce health insurance costs for local government employees. This provides employees with an additional workplace benefit specific to local government and supports efforts to identify councils as attractive employees. During 2014-15, over \$14 000 in health insurance policy excess reimbursements were paid to council employees of the 25 participating councils.

Initiatives undertaken and services provided by local governments to Aboriginal and Torres Strait Islander communities

Indigenous Leaders Forum

Two meetings of the Indigenous Leaders Forum comprising mayors, councillors and senior council officers of the 17 Queensland Aboriginal and Torres Strait Islander councils (including Torres Shire Council) were convened on October 2014 and May 2015. The latter forum was convened on Palm Island to help the local economy and provided an opportunity to showcase the local community. The Indigenous Leaders Forum also served as a Ministerial Round Table to provide an ideal forum for quality dialogue to occur between these council representatives and the relevant Ministers of the newly elected Queensland Government.

The forum was also attended by the Police Commissioner to discuss key policing issues as a follow-up to the second Police Summit which was convened as an adjunct to the October 2014 Indigenous Leaders Forum. This collaborative approach between the Police Commissioner and councils has proven to be very productive in improving police and community relations and policing generally in the community.

Other key outcomes from the Indigenous Leaders Forum include:

- commitment to finalise review of alcohol management plans
- agreed strategies to redress the potential drug implications for communities
- setting deadlines for finalising the review of retail stores in communities
- developing workforce capacity strategy
- developing a strategy for addressing ongoing community health issues.

The partnership between the local government sector and the Queensland Department of Education and Training continues to reap very significant dividends. Well in excess of 80 per cent of Aboriginal and Torres Strait Islander council staff who were enrolled in designated training programmes completed prescribed training and successfully in gained and retained employment.

Local government reform activities including deregulation and legislative changes

The reporting period saw ongoing high levels of activity on planning reform. The reform process commenced under the former Queensland Government in 2012. The former Queensland Government Bills lapsed as part of the early 2015 state election. This year saw the reintroduction of these Bills as Private Members' Bills in June 2015. Further info about these reforms can be found at the State's planning reform website: <http://dilgp.qld.gov.au/planning-reform>.

Separately, many Queensland local governments have made significant advancements in planning and business processes under the existing legislation as demonstrated by the Concept to Construction – Development Assessment Innovation Project. These improvements are ongoing and are largely driven through leadership, capacity building, and operational improvements.

Councils in Queensland leading digital transformation

The Local Government Association of Queensland

In 2014–15, the Local Government Association of Queensland conducted the second digital productivity survey leading to the release of the *Digital productivity report 2015* (available at www.lgaq.asn.au). The survey was conducted to determine current practices related to:

- productivity gains from technology investments
- adoption of digital engagement platforms within local councils in Queensland
- use of technology and digital platforms.

The results provided important insights into Queensland's economy, the receptiveness of councils to consider digitally-enabled solutions and their readiness to implement future digital change. This change is currently being driven by a number of pressing business needs within local government in Queensland, including the move towards different ways of consuming information and technology services and the changing face of digital infrastructure.

Mackay Regional Council smart metering

Mackay Regional Council was the first water authority in Australia to adopt a full roll out of smart metering (hourly readings) across the full water meter fleet without subsidies. The information collected is being used to drive capital efficiencies, improve operations and transform the way council interacts with their customers. The technology is enabling consumers and council to read meters to identify water leaks and high consumption faster. Consumers and landlords are able to find out their daily water consumption, how much their water use is costing them and set up email and SMS alerts to warn them of high consumption and water leaks within days of them occurring instead of waiting for the bill to arrive.

Mackay Regional Council is leading the way with modern technology and providing an improved level of service to its customers. The data collected will help optimise the network and assist in making capital investment decisions. During the last 12 months, the automatic meter reading technology has helped council identify and inform more than 4000 properties of water leaks with the average leak amounting to around 35 litres per hour per customer. By opening up new data sources, driving improved understanding and transformation operations, Mackay Regional Council is managing the cost to provide services into the future.

Cherbourg Aboriginal Shire Council – smart lighting and closed-circuit television

The Cherbourg Aboriginal Shire Council has implemented a solution using technologies that combine smart lighting and closed-circuit television to improve public safety and lighting in parts of Cherbourg. The solution involves the installation of LED smart lights with adaptive control and closed-circuit television on new poles that will cover key intersections and the main street in Cherbourg. While the cameras and lighting are aimed to overcome a specific problem, the platform that has been created will allow for future expansion of the project both in terms of additional sites and additional technologies. Using the technology aims to reduce the incidence of graffiti or other anti-social behaviour and will help improve the liveability of the town.

Report from the Western Australian Government

The extent to which the allocation of funds for local government purposes for your jurisdiction has been made on a full horizontal equalisation basis

2014–15 general purpose component allocations

In 2014–15, 31 local governments received the minimum grant entitlement which equated to \$20.65 per capita. Local governments that received a minimum grant in 2014–15 had their grant calculated on a per capita basis, in accordance with the minimum grant principle established under the *Local Government (Financial Assistance) Act 1995* (Cth). Collectively, the local governments receiving the minimum grant accounted for \$39.307 million of the total general purpose component while containing 75.55 per cent of Western Australia's population.

In 2014–15, there were still some councils receiving significantly less than their calculated equalisation requirement. The Western Australian Local Government Grants Commission has continued to phase-in increases and decreases to lessen the impact on councils. For 2014–15, the Western Australian Local Government Grants Commission adopted a maximum increase of 14.7 per cent of the gap between a council's current grant and their equalisation requirement. Using this method, increases on the previous year's allocations were between zero and 25 per cent. A maximum decrease of 9.34 per cent was applied for those with a declining general purpose component.

Detailed calculations and explanations are made available to local governments through the Western Australian Local Government Grants Commission's website.

Local road grant funding

The Western Australian Local Government Grants Commission distributes the local road component using the Asset Preservation Model, which has been in place since 1992.

Under the arrangements approved for Western Australia, seven per cent of the local road component is allocated for special projects (one-third for roads servicing remote Indigenous communities and two-thirds for bridges). The remaining 93 per cent is distributed in accordance with road preservation needs, as determined by the Western Australian Local Government Grants Commission's Asset Preservation Model.

The Asset Preservation Model assesses the average annual costs of maintaining each local government's road network and has the capacity to equalise road standards through the application of minimum standards. These standards help local governments that have not been able to develop their road systems to the same standard as more affluent local governments. The local road component funding splits are provided in Table B-14.

Table B-14 Western Australia's local road component funding

Component	Amount \$
Roads servicing Indigenous communities	2 507 481
Bridges	5 014 961
Distributed according to the Asset Preservation Model	100 633 473
Total	108 155 915

Special projects – roads servicing remote Indigenous communities

Main Roads Western Australia contributes an additional third of the cost of special projects funded under this programme. Table B-15 provides details on the 2014–15 funding for the Special Projects – Roads Servicing Remote Indigenous Communities programme.

Table B-15 2014–15 funding for the Western Australian Special Projects

Western Australian Special Projects – Roads Servicing Remote Indigenous Communities programme	Amount \$
Special Project funds from Western Australian Local Government Grants Commission	2 507 481
State funds from Main Roads Western Australia	1 253 740
Total	3 761 221

The Indigenous Roads Committee advises the Western Australian Local Government Grants Commission on procedures and priorities for determining the allocations of the local road component for roads servicing remote Indigenous communities, and recommends the allocations that are made each year. Membership of the Indigenous Roads Committee is made up of representatives from each of the following organisations:

- Western Australian Local Government Grants Commission (Chair)
- Western Australian Local Government Association
- Main Roads Western Australia
- Western Australian Department of Aboriginal Affairs
- Western Australian Department of Local Government and Communities
- Australian Government Department of the Prime Minister and Cabinet.

The Indigenous Roads Committee has established funding criteria based on factors including the number of Indigenous people serviced by a road; the distance of a community from a sealed road; the condition of the road; the proportion of traffic servicing Indigenous communities; and the availability of alternative access. These criteria have provided a rational method of assessing priorities in developing a five-year programme. The Indigenous Roads Committee's recommendations are submitted to the Western Australian Local Government Grants Commission for endorsement.

Special projects – bridges

The Western Australian Local Government Grants Commission's policy for allocating funds for bridges recognises that there are many local government bridges that are in poor condition, and that the preservation of these bridges must be given a high priority.

The special project funds for bridges are only allocated to preservation type projects, recognising that some of these projects may include some upgrading, and that preservation includes replacement when the existing bridge has reached the end of its economic life. Table B-16 provides details on the funding provided under Special Projects – Bridges.

Table B-16 Western Australian Special Projects – Bridges

Component	Amount \$
Special project funds from the Western Australian Local Government Grants Commission	5 014 961
State funds from Main Roads Western Australia	2 507 481
Total	7 522 442

A Bridge Committee advises the Western Australian Local Government Grants Commission on priorities for allocating funds for bridges. Membership of the Bridge Committee is made up of representatives from the following organisations:

- Western Australian Local Government Grants Commission (Chair)
- Western Australian Local Government Association
- Main Roads Western Australia.

The Bridge Committee regularly receives recommendations from Main Roads Western Australia on funding priorities for bridges. Main Roads Western Australia inspects and evaluates the condition of local government bridges and has the expertise to assess priorities and make recommendations on remedial measures. As part of the process, local governments make applications to the Western Australian Local Government Grants Commission for bridge funding each year. The Bridge Committee's recommendations are submitted to the Western Australian Local Government Grants Commission for endorsement.

The methodology used for distributing funding under the Financial Assistance Grant programme to local government for 2014–15 by your Local Government Grants Commission

Methodology review

The Western Australian Local Government Grants Commission completed a comprehensive review of its general purpose component methodology in 2012. This methodology has been applied to each grant determination in subsequent years.

General purpose component

The Western Australian Local Government Grants Commission continues to use the balanced budget method for allocating the general purpose component. The balanced budget approach to horizontal equalisation applies to all 138 local governments in Western Australia and is primarily based on the formula: assessed expenditure need – assessed revenue capacity = assessed equalisation requirement.

Calculation of assessed revenue capacity is based on standardised mathematical formulae updated annually and involves assessing the revenue-raising capacity of each local government in the categories of: residential, commercial and industrial rates; agricultural rates; pastoral rates; mining rates; and investment earnings.

Assessed expenditure need is based on standardised mathematical formulae updated annually, involving the assessment of each local government's operating expenditures in the provision of core services and facilities under the 'standard' categories of: governance; law, order and public safety; education, health and welfare; community amenities; recreation and culture; and transport. Table B-17 provides information on the disabilities applied to expenditure standards.

Table B-17 *Disabilities applied to expenditure standards in Western Australia*

Expenditure standard	Disabilities applied to expenditure standard
Governance	Location, socio-economic disadvantage, Indigenous, regional centres
Law, order and public safety	Location, socio-economic disadvantage, population dispersion, terrain, cyclone, special needs
Education, health and welfare	Location, socio-economic disadvantage, population dispersion, medical facilities
Community amenities	Location, socio-economic disadvantage, growth, population dispersion, regional centres, off-road drainage, special needs
Recreation and culture	Location, socio-economic disadvantage, growth, population dispersion, climate, regional centres
Transport	N/A

Disabilities

Disabilities are determined through a combination of data specific to the disability as well as a population component. As a number of small and remote local governments have a high (more disadvantaged) disability specific data score, a weighting on population in the disabilities ensures that local governments with small populations are not compensated excessively. The 12 disabilities as determined by the Western Australian Local Government Grants Commission are, in order of significance: location; socio-economic disadvantage; growth; population dispersion; climate; Indigenous; regional centres; terrain; off-road drainage; medical; cyclone; and special needs.

Data from a wide range of sources is used to calculate the disabilities applied to the expenditure standards. Wherever possible, data is collected from independent sources such as the Australia Bureau of Statistics. Data sources are provided in Table B-18.

Table B-18 *Data sources used in Western Australia*

Data type	Source
Accessibility Remoteness Index of Australia (ARIA+)	Centre for Social Applications of Geographic Information Systems
Socio-economic Indexes of Areas	Australian Bureau of Statistics, Cat: 2033.0.55.001
Population, population forecasts	Australian Bureau of Statistics Cat: 3218.0 as at 3 April 2014, Western Australian Department of Planning – Tomorrow: Population Report No. 7 2006–2026
Population dispersion	Australian Bureau of Statistics QuickStats for Town site Populations
Regional centres	Determined by the Western Australian Local Government Grants Commission
Indigenous population	Australian Bureau of Statistics – QuickStats for Local Government Area
Terrain	Western Australian Department of Home Affairs and Environment – Biophysical Attributes of Local Government
Cyclone	Australian Building Standards for Cyclone Prone Areas (Australian Building Code Board)
Off-road drainage data	Road Information Returns, Main Roads Western Australia
Interest expenditure/investment revenue	Western Australian Treasury Corporation, Western Australian Local Government Grants Commission Information Returns
Valuations, area, assessments	Landgate (Valuer General)
Residential, commercial and industrial rates, agricultural rates, pastoral rates, mining rates	Western Australian Local Government Grants Commission Information Returns
Climate	Bureau of Meteorology

Changes to the methodology for distributing funding to local government under the Financial Assistance Grant programme for 2014–15 from that used in 2013–14

There were no significant updates to the methodology in 2014–15.

With the view to further simplifying the balanced budget, the inclusion approach has been adopted to the data, whereby all data was included unless specifically excluded. Data categories for rating have been based on Valuer-General valuation categories.

Total assessments data has changed to include all assessments from residential, commercial, industrial, mining, agricultural and pastoral categories. Previously, pastoral assessments were excluded from total assessment figures on the basis that limited services are delivered to these properties. It was considered inequitable to include the pastoral data on the revenue side of the balanced budget whilst excluding pastoral data on the expenditure side.

Expenditure and revenue standards were calculated in the same way as 2013–14, however, equations were updated to reflect the new input data.

Disability data sets have also been updated to reflect new data where it was available including updated Estimated Resident Population as at 3 April 2014.

Developments in the use of long-term financial and asset management plans by local government

A process of structural reform and capacity building has been under way in the Western Australian local government sector for several years. In August 2010, the Western Australian Government introduced regulations which established new requirements for Plan for the Future under the *Local Government Act 1995* (WA). Under the regulations, all local governments in Western Australia were required to have developed and adopted two key documents by 30 June 2013. They are strategic community plans and corporate business plans, supported and informed by resourcing and delivery strategies. These plans also include an asset management plan, a long term financial plan and a workforce plan. These all form part of the Integrated Planning and Reporting Framework and the Advisory Standard which sets out associated performance measures.

The Western Australian Department of Local Government and Communities has a local government capacity building programme in place, supported by Royalties for Regions' Country Local Government Fund funding. The programme seeks to assist local governments in balancing demands for a wider range of services, ageing infrastructure and revenue constraints by developing and implementing long-term approaches which integrate strategic planning, asset management, workforce and financial planning.

Financial and asset management planning and implementation have been identified as areas in which local governments require particular support and assistance in improving the accuracy of asset condition and useful life data. To address these challenges, the Western Australian Department of Local Government and Communities has developed a four-year project to support up to 80 country local governments to carry out assessments of their current asset and financial management processes, in line with nationally consistent measures set out in the National Asset Management Assessment Framework. Assistance is also provided to assess and update the condition and useful life data of one critical asset class, resulting in a more accurate calculation of the local government's infrastructure gap. This is being achieved by using best

practice asset condition assessment methodologies and updating asset management plans and long term financial plans.

The Western Australian Department of Local Government and Communities has engaged asset management consultants to work with local governments on the project and provide training, mentoring and guidance. In 2014–15, 39 country local governments participated in the National Asset Management Assessment Framework and Asset Condition Rating Project.

Actions to develop and implement comparative performance measures between local governing bodies

The Western Australian Department of Local Government and Communities uses the Integrated Planning and Reporting Advisory Standard as the performance measurement standard and the annual Capability Survey to enable local governments to assess and report on their progress.

Local government performance, as measured by the annual Capability Survey, declined in 2014–15. An analysis of the data indicates that overall performance of the sector was impacted by the performance of metropolitan local governments. Country local governments experienced a much smaller decline in performance as measured by the survey.

During 2014–15, metropolitan local governments were actively preparing for a range of structural reforms that included mergers and boundary changes, as part of the Western Australian Government’s metropolitan reform. In February 2015, the Western Australian Government put on hold its plans for boundary reform in metropolitan Perth.

Local governments are expected to perform better in subsequent surveys as they reinstate the ongoing development of their Integrated Planning and Reporting plans and the Western Australian Government implements additional support.

Reforms undertaken during 2014–15 to improve the efficiency and effectiveness of local government service delivery

In addition to the work being undertaken to develop local government capability in long-term financial planning and asset management, outcomes from the Western Australian Department of Local Government and Communities’ country local government capacity building programme for 2014–15, funded by the Royalties for Regions’ Country Local Government Fund, included the following:

- sixteen Elected Member Training Program sessions were conducted. An average of 10 elected members from 32 local governments attended each session
- two pilots of the Better Practice Review capacity building programme were undertaken and evaluated – review processes have been progressed with three shires
- four further regional Workforce Planning training workshops were conducted, while 22 country local governments used grant funding to implement actions from their workforce plans
- continued development of capacity to plan strategically for the future.

The Western Australian Department of Local Government and Communities has continued to support local governments through guidelines, a dedicated website, the Advisory Standard, training programmes, funding and advice.

Initiatives undertaken and services provided by local governments to Aboriginal and Torres Strait Islander communities

The delivery of strong, sustainable services to Aboriginal Western Australians remains an important step to increasing quality of life and improving social and economic outcomes. Western Australian local governments have an important role in the delivery of services to Aboriginal communities.

In 2014, the Western Australian Government endorsed a policy position for remote Aboriginal communities. This policy framework includes the directions paper *Towards a sustainable investment strategy for remote Aboriginal communities*. The Western Australian Government, in agreement with the Australian Government, also developed National Principles for Reform of Infrastructure, Municipal and Essential Services.

The Western Australian Government has embarked on a major reform. With support from Aboriginal people, the Western Australian Government has formed leadership groups across Western Australia. The leadership groups work with local governments and service providers on the ground to improve service delivery. This approach aims to create opportunities to strengthen communities and benefit children and families through better services and investment locally.

Councils will provide high-level strategic advice on, and identify opportunities for, changes that could be made to Western Australian Government expenditure, policies, programmes and governance to improve outcomes for Aboriginal people in its region.

Local government has been identified as a key stakeholder in the district leadership groups to ensure community driven change will be made to the delivery of services in remote areas.

Local government reform activities in the areas of deregulation and legislative change by the Western Australian Government

The Western Australian Government attempted to introduce significant local government structural reform across metropolitan Perth, with the objective of reducing 30 councils to approximately fifteen. This was discontinued when three amalgamations were defeated by electors' polls.

Reform activities across the sector have continued to focus on long-term integrated planning, including each local government having a strategic community plan and a corporate business plan. Integrated Planning and Reporting is supported by informing strategies including asset management planning, long term financial planning and workforce planning.

Amendments to the *Local Government (Functions and General) Regulations 1996* (WA) took effect on 1 October 2015. The amendments are a result of recommendations made by the Local Government Steering Committee and the Corruption and Crime Commission, with the aim of improving council purchase and tendering practices. In addition to increasing the tender threshold, the amendments enable local governments to appoint a panel of pre-qualified suppliers.

Amendments to the *Local Government Act 1995* (WA), which increase local government transparency and accountability, passed the Legislative Assembly. These amendments require elected members to declare gifts and travel within ten days of receipt and for this information to be published on the council's website.

A City of Perth Bill, which recognises the special significance of the district of Perth as the capital city, is currently before the Western Australian Parliament.

The Local Government Legislation Amendment Bill, also under consideration by the Western Australian Parliament, strengthens the ability of councils to deliver services to their communities by enabling two or more councils to form a subsidiary body in order to perform a service or carry out an activity jointly. The Bill provides a model for a legal entity which will have less compliance obligations than that of a regional council, thus reducing red tape.

The regional subsidiary will be governed by a charter, which will be approved by the Western Australian Minister for Local Government. By enabling establishment by way of a charter rather than legislation as the governance and regulatory instrument, entities will be more readily able to adapt to their purpose.

The Local Government Legislation Amendment Bill also makes a number of changes to the operation of the Local Government Standards Panel. The Local Government Standards Panel gains the discretion to refuse to deal with complaints where the complaint is officially withdrawn, or where the panel determines that a complaint is frivolous or without substance. These changes will increase the efficiency of operation of the Local Government Standards Panel and allow it to focus its efforts on dealing with complaints in a timely manner.

The Western Australian Minister for Local Government has announced that the Western Australian Office of the Auditor-General will be taking over responsibility for local government auditing to increase accountability.

Councils in Western Australia leading digital transformation

City of Perth online services, wi-fi and parking mobile smartphone application

Western Australian local governments are increasingly providing services online. The City of Perth is leading the way by making services that previously would have required a trip to the council office available through their website.

Residents of the City of Perth can now book facilities and venues, register their dog or cat, request a bin, or apply for an extended trading permit through the city's website. The City of Perth also provides free public wi-fi across the Perth central business district.

The City of Perth has also recently entered the mobile space with the launch of the City of Perth parking mobile smartphone application. The application provides Australia's first real-time bay availability feature. This new feature helps drivers plan for their parking more efficiently by allowing them to view how many bays are available, in real time, across 12 of the city's major car parks.

City of Greater Geraldton – accepting building permits online and wi-fi

As part of their Digital Strategy for the City of Greater Geraldton and the Mid West Region, the City of Greater Geraldton is also at the forefront of delivering services digitally. The City of Greater Geraldton has moved to accepting building permits online and offers wi-fi facilities across twelve locations within the City of Greater Geraldton.

Report from the Western Australia Local Government Association

Developments in the use of long-term financial and asset management plans by local government

Working on the implementation of Integrated Planning and Reporting has been a key focus for Western Australian local government sector in recent years. The Western Australian Local Government Association worked with the Western Australian Department of Local Government and Communities, Local Government Managers Australia (Western Australia) and officer representatives from local governments to support the sector during this period of change, including a review of the Integrated Planning and Reporting Framework and guidelines documentation. The updated documents are expected to be finalised in the first half of 2016.

An improvement in the commitment to asset management and system use by councils was seen in 2014–15, with ROMAN II software usage increasing by 10 per cent across the sector. Councils are increasingly making asset management part of their day-to-day activities, with innovations such as asset management tablet devices increasingly in use by field officers across the sector.

Actions to develop and implement comparative performance measures between local governing bodies

The Western Australian local government sector implemented Integrated Planning and Reporting from July 2013. Since then, some local governments have worked with the Western Australian Department of Local Government and Communities to assess their own performance against the future requirements of the Integrated Planning and Reporting framework. As the reforms are bedded down and Western Australian councils gain further experience with the integrated frameworks, comparative performance measures will be developed in future years. Work is continuing on improving the standard of the Integrated Planning and Reporting documentation and community engagement strategies.

Procurement compliance review checklist and benchmarking

In February 2015, the Western Australian Crime and Corruption Commission presented the results of voluntary audits conducted on procurement and purchasing practices at five metropolitan councils. The results highlighted potential risks for these councils and the sector in current practice.

The Western Australian Local Government Association commissioned the development and roll-out of a Best Practice Procurement Self-Assessment checklist that supports the identification of procurement risks and the establishment and implementation of effective risk mitigation strategies for the participating councils. The checklist focuses on: policy frameworks; probity and compliance management; process and guidance; contract and supplier relationship management; procure-to-pay; and tender processes.

Reforms undertaken during 2014–15 to improve the efficiency and effectiveness of local government service delivery

Metropolitan local government reform, which was expected to significantly reduce the number of local governments in metropolitan Perth through amalgamations and boundary adjustments, was the focus for many in the local government sector during 2014–15.

The amalgamations and boundary adjustments did not progress due to increased community involvement. This culminated in polls of electors that prevented the amalgamations from proceeding, and as a result councils reviewed their organisational and service delivery processes. The increased community interest in local government has enabled councils to harness the momentum of the metropolitan local government reform process to drive internal efficiency and effectiveness gains.

In particular, many local governments reviewed their activities by using the Local Government Reform Toolkit, an online resource providing best practice templates and guidance developed jointly by the Western Australian Local Government Association, the Western Australian Department of Local Government and Communities, and Local Government Managers Australia (Western Australia).

eSign and digital signature development, eQuotes sector and local license deployment

The efficiency and effectiveness of local government service delivery has been supported by the Western Australian Local Government Association's deployment of technologies to automate processes and improve the timeliness of procurement processes. eSign has enabled contracts to be expedited by removing the need for printing, sending and paper-based file management. eQuotes has allowed purchasing engagements to be streamlined to a process of quotation, with auditable and transparent records.

West Australian disabilities enterprises and social procurement development

The Western Australian Local Government Association has supported a range of social procurement initiatives including membership of Social Procurement Australasia, and encouragement of sector procurement from West Australian Disabilities Enterprises. By supporting changes to procurement regulations in these areas the procurement process has been made easier. The Western Australian Local Government Association has raised awareness and facilitated access to West Australian Disabilities Enterprises through network forums and a range of media options which in turn is providing increased employment opportunities for people with disabilities.

Initiatives undertaken and services provided by local governments to Aboriginal and Torres Strait Islander communities

In 2014, the Western Australian Government accepted a one-off payment of \$90 million to transfer responsibility for municipal and essential services from the Australian Government to Western Australia from 1 July 2015. The Western Australian Government has since embarked on a major regional services reform programme to develop new arrangements for municipal and essential services delivery to Aboriginal communities. With support from Aboriginal people, the Western Australian Government has formed leadership groups across the state that will work with service providers on the ground to improve lives. The Western Australian Government has also adopted a State Infrastructure Strategy to guide future investment in Aboriginal communities.

Western Australian councils are participating in the leadership groups and are involved in the development of implementation plans for each district. The implementation plans aimed to replace duplicated services and short-term projects with long-term programmes run by organisations that will be accountable for their results.

Current funding and service delivery is managed by the Western Australia Department of Housing. It is anticipated that the Western Australia Department of Housing will continue to fund and manage municipal service delivery into the future until alternative arrangements are identified and agreed. However, this has not been confirmed in writing with local governments or existing contractors. The Western Australian Local Government Association has continued to advocate and participate in bi-lateral discussions about reform of service delivery to Aboriginal communities. The sector continues to be concerned about the lack of detailed information available about the future expectations of local governments for municipal service delivery to Aboriginal communities.

Indigenous contracting engagement and regulatory change:

Through its involvement on the Aboriginal Procurement Working Group and the amendments to the Local Government Regulations, the Western Australian Local Government Association has commenced work to promote Aboriginal business participation across the local government sector.

The Aboriginal Procurement Working Group consists of representatives from the Western Australian Department of Regional Development, the Western Australian Department of Finance, the Small Business Development Commission and Supply Nation. The aim of the Aboriginal Procurement Working Group is to increase the awareness of the Western Australian Government and local government procurement policies and processes for Aboriginal businesses and to increase procurement of Aboriginal goods and services.

The Western Australian Local Government Association has supported and been involved in the development of an Aboriginal Procurement Initiative to help increase participation in local government procurement from Aboriginal businesses. Through this programme the Western Australian Local Government Association has engaged Aboriginal businesses into its Preferred Supply Program and presented to business forums to support tendering from these businesses.

Councils in Western Australia leading digital transformation

City of Canning client relationship management system

The City of Canning has adopted the mantra of 'above all – service' and has engaged information and communications technology staff and technology partners to enable a cultural change to achieve this associated goal. The City of Canning researched gaps or frustrations experienced by stakeholders when dealing with the City of Canning and then built an interconnection of systems with a client relationship management system as a central focus. Now, when a customer contacts the City of Canning (using any method they choose), staff are better informed when responding. Customer satisfaction has improved from 68 per cent to 95 per cent. Call volumes have reduced by 30 per cent as customers are getting the right information the first time. Customer service staff morale has lifted as their ability to confidently respond to callers has increased and their training time was reduced from six to two weeks.

City of Mandurah public wi-fi

The City of Mandurah has leveraged national broadband network connectivity and their requirement for public wi-fi to provide a rich range of ancillary services previously not feasible. The City has 124 closed-circuit television cameras across 17 sites. The unusual aspect of this system is that local police have direct, real-time access to it – even if on foot using an iPad.

Because transmission costs are contained to the City's own wi-fi network, instead of the more common mobile phone network solutions, effective additional costs are close to zero. The City has used sophisticated wi-fi hot spots to gather pedestrian metrics to help it better understand the division between frequent, infrequent and first-time visitors to various locations such as recreation centres, public open spaces and libraries. With this understanding, a simple thing like bin or direction sign placement can be done in a much more responsive way, improving the amenity of the City and therefore, the experience of residents and visitors.

Report from South Australia

This report has been provided by the South Australian Government with contributions provided by the South Australian Local Government Grants Commission; the Local Government Association of South Australia; and the South Australian Office of Local Government.

The extent to which the allocation of funds for local government purposes for your jurisdiction has been made on a full horizontal equalisation basis

The methodology used by the South Australian Local Government Grants Commission to allocate funding to local government is intended to achieve an allocation of grants to local governing bodies in South Australia consistent with the National Principles.

While all of the National Principles are incorporated into the South Australian Local Government Grants Commission's assessment process and recommendations, the over-riding principle applied to the assessment of the general purpose component is one of horizontal equalisation.

The extent to which the allocation of the general purpose component achieves full equalisation is influenced by a number of constraints, including:

- the second National Principle, which requires that each local governing body must receive a minimum entitlement per head of population (the per capita minimum grant principle)
- funds available to meet the assessed need of all councils across South Australia
- South Australia's decreasing proportion of the Australian population
- the pause on indexation of the Financial Assistance Grant programme for three years from 2014–15 to 2016–17, originally announced as part of the 2014–15 Federal Budget
- limitations in the availability of some data items across South Australia.

The South Australian Local Government Grants Commission has incorporated a number of strategies within its methodology to address these constraints and attempt to achieve as close to full equalisation as possible.

The per capita minimum grant principle

While the South Australian Local Government Grants Commission's methodology primarily addresses the horizontal equalisation principle, the extent to which this principle can be applied is constrained by the application of the second National Principle – the per capita minimum grant principle.

The per capita minimum grant principle quarantines 30 per cent (or approximately \$34.2 million for South Australia in 2014–15) of the pool of the general purpose component, to be provided to councils who are assessed as having a greater than average capacity to provide services. As a result of setting aside 30 per cent of the pool of funds, funding available to those councils with a less than average capacity or to fully equalise grants to councils to provide services, is reduced.

The South Australian Local Government Grants Commission's methodology applies the per capita minimum grant to councils with a greater than average capacity as first priority and distributes the remaining funding on the basis of the relativities established in the assessment process.

The limited pool of funding

The proportion of the total pool of funding allocated to South Australia does not provide sufficient funding to meet the assessed need of councils under the current methodology. The South Australian Local Government Grants Commission assessed a total raw grant of \$209.4 million in 2014–15 for councils with a below average capacity to provide services, that is excluding grants payable to per capita minimum councils, giving rise to a shortfall of \$95.4 million over the amount provided.

Applying the per capita minimum grant principle to the assessment, the South Australian Local Government Grants Commission's assessment on a full equalisation basis was \$224.5 million for 2014–15, a shortfall of \$110.4 million.

The South Australian Local Government Grants Commission's process to address the shortfall involves scaling back the actual amount of grants received in proportion to the relativity established for each council in the calculation of their raw grant, to arrive at their per capita applied grant.

The South Australian Local Government Grants Commission then applies its own caps and collars and other necessary adjustments in order to manage increases and decreases in assessed grants to provide the final recommended grant.

For 2014–15, the caps and collars applied by the South Australian Local Government Grants Commission were heavily restricted by the impacts of the pause in indexation applied to Financial Assistance Grant programme. Prior, the South Australian Local Government Grants Commission typically applied caps of up to a 12 per cent increase for councils with an increasing need and collars of negative five per cent for councils with a decreasing need.

South Australia's decreasing proportion of the national population

The general purpose component of the Financial Assistance Grant programme is distributed to jurisdictions on a per capita basis. By contrast, each state's Grants Commission makes recommendations on the distribution of the general purpose component primarily on the basis of horizontal equalisation.

The per capita distribution of the general purpose component to the states and territories has traditionally disadvantaged South Australia due to its decreasing share of Australia's population.

The continual reduction in the share of the general purpose component to South Australia further restricts the South Australian Local Government Grants Commission's ability to fully equalise grants to councils. As with the shortfall of overall funding, the South Australian Local Government Grants Commission uses its scaling back process to allocate the level of funding received.

Indexation pause

In the 2014–15 Budget, the Australian Government announced that the annual indexation of the Financial Assistance Grant programme would be paused for a period of three years commencing in 2014–15.

While the overall pool of funding has not increased for 2014–15, the allocation of the general purpose component, which is distributed to jurisdictions based on a per capita share, has fluctuated as a result of shifting proportions of the Australian population. The impact of this

measure on South Australia is significant as South Australia's proportion of national population is decreasing.

The South Australian Local Government Grants Commission implemented fixed reductions for over half of South Australian local governing authorities of one per cent. Only one quarter of councils, with significantly increasing assessed need for assistance, were granted increases in funding, at a very modest increase of 0.5 per cent.

Availability of data

The South Australian Local Government Grants Commissions methodology to assess councils' capacity to provide services relies heavily on the assessment of an average level of service across South Australia and an assessment of each council against the average for the purposes of determining the amount of grant recommended.

In order to undertake the assessments, the South Australian Local Government Grants Commission collects a range of data items for all local governing authorities in South Australia from the Australian Government, state and local governments. The data collected enables the South Australian Local Government Grants Commission to determine a theoretical average level of service across South Australia using data that is common to all councils, including property values, the area of councils, population, road length, rate revenue, and operating expenditure and assess each council against the average using the same data.

Data items that are easy to source, regularly updated and reliable provide the South Australian Local Government Grants Commission with an effective tool to ensure that horizontal equalisation is achieved. However, some services undertaken by councils are difficult to measure and do not have reliable data sources with which to measure councils against an average. For example, the use of council services and facilities by non-residents is difficult to assess. Non-residents can be tourists passing through a council using some services briefly or residents of neighbouring councils who use certain council services as part of their regular routines. Councils do not keep records on the use of these types of services. Waste management of a park or reserve will include the collection of rubbish from residents and non-residents and it is difficult to distinguish between the two. Similar challenges are experienced with public conveniences and libraries.

Under these circumstances, the South Australian Local Government Grants Commission exercises its own judgement to provide recognition of these types of services. This approach attempts to achieve an increased level of equalisation, but is limited in its application.

The methodology used for distributing funding under the Financial Assistance Grant programme to local government for 2014–15 by your Local Government Grants Commission

General purpose component

The methodology used to assess the general-purpose component of the Financial Assistance Grant programme is intended to achieve an allocation of grants to local governing bodies in South Australia consistent with the National Principles. The over-riding principle is one of horizontal equalisation, which is constrained by a requirement that each local governing body must receive a minimum entitlement per head of population.

The South Australian Local Government Grants Commission uses a direct assessment approach. This involves the separate estimation of a component revenue grant and a component expenditure grant for each council, which are aggregated to determine each council's overall equalisation need.

Available funds are distributed in accordance with the relativities established through this process and adjustments are made as necessary to ensure the per capita minimum entitlement is met for each council. For local governing bodies outside the incorporated areas (the Outback Communities Authority and the five Aboriginal communities) allocations are made on a per capita basis.

A standard formula is used as a basis for both the revenue and expenditure component grants.

Formulae – general financial assistance

The formula for the calculation of the raw revenue grants is expressed as:

$$G = P_c \times S \times \left[\left(\frac{U_s}{P_s} \times RRI_s \right) - \left(\frac{U_c}{P_c} \times RRI_c \right) \right]$$

Similarly, the formula for the calculation of the raw expenditure grants is expressed as:

$$G = P_c \times S \times \left[\left(\frac{U_c}{P_c} \times CRI_c \right) - \left(\frac{U_s}{P_s} \times CRI_s \right) \right]$$

Subscripts of s or c are used to describe whether it applies to the state or a particular council.

- G = council's calculated relative need assessment
- P = population
- U = unit of measure. Some units of measure are multiplied by a weight
- S = standard, be it cost or revenue = (expenditure or income)/U
- RRI = Revenue Relativity Index. CRI = Cost Relativity Index (previously known as the disability factor). They are centred around 1.00, i.e. RRI_s or CRI_s equals 1.00. If more than one CRI exists for any function then they are multiplied together to give an overall CRI for that function.

In the revenue calculations for both residential and rural assessments, the South Australian Local Government Grants Commission has calculated a revenue relativity index based on the Australian Bureau of Statistics Index of Economic Resources. Where no revenue relativity index exists the $RRI_c = 1.0$. In all expenditure calculations with the exception of roads and stormwater, there are currently no disability factors applied and consequently, $CRI_c = 1.0$.

The raw grants, both on the revenue and expenditure sides, are then totalled to give each council's total raw grant. Any council whose raw calculation per head is less than the per capita grant (\$20.48 for 2014-15) then has the per capita grant applied. The remaining balance of the allocated grant is then apportioned to the remaining councils based on their calculated proportion of the raw grant. South Australian Local Government Grants Commission determined limits are then applied to minimise the impact on council's budgetary processes.

In the calculation of the 2014-15 allocations, the South Australian Local Government Grants Commission constrained changes to the allocations to between -3 per cent and 0.5 per cent. Changes for the majority of councils were in the range of -1 per cent and 0.5 per cent. Four councils were reduced at higher levels of -3 per cent and 2 per cent as part of a

process of decreasing grants in a manageable way for these councils. No council received an increase above 0.5 per cent. An iterative process is then undertaken until the full allocation is determined.

Component revenue grants

Component revenue grants compensate or penalise councils according to whether their capacity to raise revenue from rates is less than or greater than the state average. Councils with below average capacity to raise revenue receive positive component revenue grants and councils with above average capacity receive negative component revenue grants.

The South Australian Local Government Grants Commission estimates each council's component revenue grant by applying the state average rate in the dollar to the difference between the council's improved capital values per capita multiplied by the *RRIC* and those for the state as a whole, and multiplying this back by the council's population.

The South Australia average rate in the dollar is the ratio of total rate revenue to total improved capital values of rateable property. The result shows how much less (or more) rate revenue a council would be able to raise than the average for the state as a whole if it applied the state average rate in the dollar to the capital values of its rateable properties.

This calculation is repeated for each of five land use categories, namely; residential; commercial; industrial; rural; and other. To overcome fluctuations in the base data, valuations, rate revenue and population are averaged over three years. Revenue relativity indices (*RRIC*) are only applied to the calculations for residential and rural land use categories.

Subsidies

Subsidies that are of the type that most councils receive and are not dependent upon their own special effort, that is they are effort neutral, are treated by the inclusion approach. These include subsidies such as those for library services and roads which are included as a revenue function.

For 2014–15, the South Australian Local Government Grants Commission continued to exclude library subsidies from the grant calculations along with the libraries expenditure function due to concerns over the consistency of data provided by councils to the Public Library Services section of the South Australian Department of the Premier and Cabinet.

Component expenditure grants

Component expenditure grants compensate or penalise councils according to whether the costs of providing a standard range of local government services can be expected to be greater than or less than the average cost for the state as a whole due to factors outside the control of councils. The South Australian Local Government Grants Commission assesses expenditure needs and a component expenditure grant for each of a range of functions and these are aggregated to give a total component expenditure grant for each council.

The methodology compares each council per capita against the South Australian average. This enables the comparison to be consistent and to compare like with like.

A main driver or 'unit of measure' is identified for each function. This is divided into the net expenditure on the function for the State as a whole to determine the average or 'standard cost' for the particular function. For example, in the case of the expenditure function built-up sealed roads, a kilometre of built-up sealed roads is the unit of measure.

Using this example, the length of built-up sealed roads per capita for each council is compared with the state's length of built-up sealed road per capita. The difference – be it positive, negative or zero – is then multiplied by the average cost per kilometre for construction and maintenance of built-up sealed roads for South Australia as a whole (standard cost). This in turn is multiplied back by the council's population to give the component expenditure grant for the function. As already indicated this grant can be positive, negative or zero.

In addition, it is recognised that there may be other factors beyond a council's control which require it to spend more (or less) per unit of measure than the state average. Accordingly, the methodology allows for a 'cost relativity index', to be determined for each expenditure function for each council. Indices are centred around 1.0, and are used to inflate or deflate the component expenditure grant for each council. In the case of roads, cost relativity indexes measure relative costs of factors such as material haulage, soil type, rainfall and drainage.

To overcome fluctuations in the base data, inputs into the expenditure assessments (with the exception of the newly revised road lengths) are averaged over three years. Table B-19 details the approach taken to expenditure functions included in the methodology.

For 2014-15, the South Australian Local Government Grants Commission continued to exclude the libraries expenditure function from the methodology. Data gathered relating to visitor numbers has shown inconsistencies over the averaging period used by the South Australian Local Government Grants Commission (three years), with some significant fluctuations in data for many councils. This issue is being investigated as part of the South Australian Local Government Grants Commission's methodology review.

Table B-19 Expenditure functions in the South Australian methodology

Expenditure function	Standard cost	Units of measure
Waste management	Reported expenditures ^a	Number of residential properties
Aged care services	Reported expenditures ^a	Population aged 65+ per Australian Bureau of Statistics Census and estimated resident population
Services to families and children	Reported expenditures ^a	Population aged 0–14 years per Australian Bureau of Statistics Census and estimated resident population
Health inspection	Reported expenditures ^a	Establishments to inspect
Libraries	Reported expenditures ^a	Number of library visitors
Sport and recreation	Reported expenditures ^a	Population aged 5–49 years per Australian Bureau of Statistics Census and estimated resident population
Sealed roads – built-up ^o	Reported expenditures ^a	Kilometres of built-up sealed road
Sealed roads – non-built-up ^o	Reported expenditures ^a	Kilometres of non-built-up sealed road
Sealed roads – footpaths etc.	Reported expenditures ^a	Kilometres of built-up sealed road
Unsealed roads – built-up ^o	Reported expenditures ^a	Kilometres of built-up unsealed road
Unsealed roads – non-built-up ^o	Reported expenditures ^a	Kilometres of non-built-up unsealed road
Unformed roads ^o	Reported expenditures ^a	Kilometres of unformed road
Stormwater drainage maintenance ^{b, c}	Reported expenditures ^a	Number of urban properties ^d
Community support	Reported expenditures ^a	Three year average population Socio-economic Indexes for Areas Advantage/Disadvantage cost relativity index
Jetties and wharves	Reported expenditures ^a	Number of jetties and wharves
Public order and safety	Reported expenditures ^a	Total number of properties
Planning and building control	Reported expenditures ^a	Number of new developments and additions
Bridges	Reported expenditures ^a	Number of bridges
Other needs assessments	Set at 1.00	Based on South Australian Local Government Grants Commissions determined relative expenditure needs in a number of areas ^f

- Notes:
- a Council's net expenditure reported in the South Australian Local Government Grants Commissions' Supplementary Returns.
 - b Includes both construction and maintenance activities.
 - c The South Australian Local Government Grants Commission has also decided, for these functions, to use cost relativity indexes based on the results of a previous consultancy by BC Tonkin and Associates.
 - d Urban properties = sum [residential properties, commercial properties, industrial properties, exempt residential properties, exempt commercial properties, exempt industrial properties].
 - e The South Australian Local Government Grants Commission has for these functions, used cost relativity indexes based on the results of a consultancy led by Emcorp and Associates, in association with PPK Environment and Infrastructure. Tonkin Consulting has since refined the results.
 - f Comprises South Australian Local Government Grants Commission determined relative expenditure needs with respect to the following:
 - non-resident use/tourism/regional centre – assessed to be high, medium or low
 - duplication of facilities – identified by the number of urban centres and localities (as determined by the Australian Bureau of Statistics)
 - isolation – measured as distance from the GPO to the main service centre for the council (as published in the South Australian Local Government Directory; Local Government Association of South Australia)
 - additional recognition of needs of councils with respect to Aboriginal people – identified by the proportion of the population identified as Aboriginal or Torres Strait Islander
 - unemployment – identified by the proportion of the population unemployed

- capital city status – gives recognition to such things as the ability of the council to raise revenue from sources other than rates (i.e. car parking and from the Wingfield dump), and their extraordinary expenditure need (i.e. due to the requirement that they maintain the entire road network within the city and due to the daily influx of non-resident population)
- environment and coastal protection – assessed to be high, medium or low
- provision of cultural and tourist facilities – assessed to be high, medium or low.

This final factor 'Other Needs Assessment' (also known as Function 50) originates from awareness by the South Australian Local Government Grants Commission that there are many non-quantifiable factors, which may influence a council's expenditure, and that it is not always possible to determine objectively the extent to which a council's expenditure is affected by these factors. The South Australian Local Government Grants Commission is aware that there are many factors which may influence a council's expenditure and that it is not always possible to determine objectively the extent to which a council's expenditure is affected by inherent or special factors. Therefore, in determining units of measure and cost relativity indices, the South Australian Local Government Grants Commission must exercise its judgement based on experience, the evidence submitted, knowledge gained during visits to council areas, and as a result of discussions with elected members and staff.

Calculated standards by function

The South Australian Local Government Grants Commission uses Table B-20 to enable it to calculate a council's raw grant for each of the given functions. To do this, the South Australian Local Government Grants Commission calculates each individual council's unit of measure per capita, compares it with the similar figure from the table and then multiplies the difference by the standard from the table and its own population. If cost relativity indexes are applicable, then they must be included as a multiplier against the council's unit of measure per capita.

The South Australian Local Government Grants Commission stresses that this only allows the calculation of the raw grant for the individual function, not the estimated grant. The calculation of the estimated grant is not possible as per capita minimums need to be applied and the total allocation apportioned to the remaining councils.

Table B-20 South Australia's calculated standards by function

Total Population = 1 670 827

<i>Function</i>	<i>Standard in dollars</i>	<i>Unit of measure per capita</i>	<i>Total units of measure</i>	<i>Unit of measure</i>
Expenditure functions				
Waste management	180.13	0.41214	681 503	Number of residential properties
Aged care services	158.56	0.16443	271 890	Population aged 65+
Services to families and children	61.10	0.17716	292 949	Population aged 0–14
Health inspection	312.54	0.01228	20 309	Establishments to inspect
Libraries	-	-	-	Number of visitors
Sport and recreation	159.45	0.77568	1 282 638	Population aged 5–49
Sealed roads – built up	11 333.40	0.00641	10 596	Kilometres of sealed built-up
Sealed roads – non-built up	11 333.40	0.00456	7547	Kilometres of sealed non-built-up
Sealed roads – footpaths etc.	14 830.16	0.00641	10 596	Kilometres of sealed built-up
Unsealed roads – built up	1641.42	0.00043	716	Kilometres of formed and surfaced, and natural surface-formed built-up road
Unsealed roads – non-built up	1641.42	0.02844	47 022	Kilometres of formed and surfaced, and natural surface formed non-built-up road
Roads – unformed	88.33	0.00532	8793	Kilometres of natural surfaced unformed road
Stormwater drainage – maintenance	78.82	0.44465	735 269	Number of urban, industrial and commercial properties including exempt
Community support	45.87	0.99990	1 653 416	Three year average population Socio-economic Indexes for Areas Advantage Disadvantage cost relativity index
Jetties and wharves	12 766.25	0.00005	79	Number of jetties and wharves
Public order and safety	23.42	0.56465	933 686	Total number of properties
Planning and building control	1 504.77	0.02648	43 782	Number of new developments and additions
Bridges	7 991.12	0.00053	883	Number of bridges
Other special needs	1.00	29.17914	48 249 900	Total of dollars attributed
Revenue functions				
Rates – residential	0.0034	144 253	238 265 855 929	Valuation of residential
– commercial	0.0061	19 084	31 556 158 121	Valuation of commercial
– industrial	0.0092	2682	4 434 080 509	Valuation of industrial
– rural	0.0030	20 332	33 127 689 152	Valuation of rural
– other	0.0026	10 201	16 867 796 996	Valuation of other
Subsidies	1.00	20.08652	33 214 572	The total of the subsidies

Aggregated revenue and expenditure grants

Component grants for all revenue categories and expenditure functions, calculated for each council using the method outlined above, are aggregated to give each council's total raw grant figure.

Where the raw grant calculation per head of population for a council is less than the per capita minimum established, (\$20.48 for 2014-15), the grant is adjusted to bring it up to the per capita minimum entitlement. The balance of the allocated amount, less allocation to other local governing bodies outside the incorporated areas, is then apportioned to the remaining councils based on their calculated proportion of the raw grant.

South Australian Local Government Grants Commission determined limits may then be applied to minimise the impact on council's budgetary processes. In the calculation of the 2014-15 grant, constrained changes to councils to between -3 per cent and 0.5 per cent. An iterative process is then undertaken until the full allocation is determined.

Identified local road grant

In South Australia, the identified local road component is divided into formula grants (85 per cent) and special local road grants (15 per cent). The formula component is divided between metropolitan and non-metropolitan councils on the basis of an equal weighting of road length and population.

In the metropolitan area, allocations to individual councils are determined again by an equal weighting of road length and population. In the non-metropolitan area, allocations are made on an equal weighting of road length, population and the area of each council.

Distribution of the special local road grants is based on recommendations from the Local Government Transport Advisory Panel which is responsible for assessing submissions from regional associations on local road projects of regional significance.

Outback Communities Authority

The Outback Communities Authority was established in July 2010 under legislation of the South Australian Parliament and is prescribed as a local governing body for the purposes of the South Australian Local Government Grants Commission's recommendations for distribution of funding under the Financial Assistance Grant programme.

It has a broad responsibility for management and local governance of the unincorporated areas of South Australia. The Outback Communities Authority has a particular emphasis for providing local government type services normally undertaken by councils elsewhere in South Australia.

Due to the lack of comparable data, the South Australian Local Government Grants Commission is not able to calculate the grant to the Outback Communities Authority in the same manner as other local governing bodies. Rather, a per capita grant has been established.

The 2014-15 per capita grant was \$373.95.

The general purpose component to the Outback Communities Authority was held to zero change for 2014-15 in recognition of the pause on indexation under the Financial Assistance Grant programme.

Aboriginal communities

Since 1994–95, the South Australian Local Government Grants Commission has allocated grants to five Aboriginal communities recognised as local governing authorities for the purposes of the *Commonwealth Local Government (Financial Assistance) Act 1995* (Cth).

The Aboriginal communities are Anangu Pitjantjatjara Yankunytjatjara; Gerard Community Council Inc.; Maralinga Tjarutja; Nipapanha Community Council Inc.; and Yalata Community Council Inc.

Again due to the unavailability of data, grants for these communities are not calculated in the same manner as grants to other local governing bodies. Initially, the South Australian Local Government Grants Commission used Morton Consulting Services, who completed a study on the expenditure needs of the communities and their revenue raising capacities. Comparisons were made with communities in other states and per capita grants were established.

Grants have gradually been increased in line with the increase in the general purpose component of funding for South Australia since the initial study. For 2014–15, the per capita grant varied from \$192.07 for the Gerard Community Council to \$1230.71 for the Maralinga Tjarutja Community.

Changes to the methodology for distributing funding to local government under the Financial Assistance Grant programme for 2014–15 from that used in 2013–14

There have been no changes to the South Australian Local Government Grants Commission's methodology for 2014–15, except for the continued exclusion of the libraries expenditure function on the expenditure side and library subsidies on the revenue side.

The South Australian Local Government Grants Commission completed a full review of its methodology and recommendations were presented by KPMG in July 2013. The South Australian Local Government Grants Commission are assessing and testing a number of the recommendations made in the review. It is expected that any changes made to the methodology will be incorporated into the South Australian Local Government Grants Commission's recommendations for the 2016–17 Financial Assistance Grant programme.

Developments in the use of long-term financial and asset management plans by local government

Each one of South Australia's 68 local governments is required – by section 122 of the *Local Government Act 1999* (SA) – to develop and adopt a long-term financial plan and an infrastructure and asset management plan, each covering a period of at least 10 years.

The Local Government Association of South Australia continued to provide advice and assistance to the sector in 2014–15 through its ongoing Financial Sustainability Program. During the year, resources made available to councils included:

- 2015 revisions of all but one of the Local Government Association of South Australia's 21 financial sustainability information papers
- subsidies for hands-on expert assistance in asset and infrastructure management and long-term financial management to councils (predominantly small country councils) that had not yet adopted settings of financial sustainability

- a short-term project for an Asset Management Advisory Committee of up to three experts to recommend, in consultation with councils, a strategy for the Local Government Association of South Australia to pursue research, skills development, and/or feasibility studies into a range of potential Local Government Association of South Australia asset management services
- calculation of costs for carrying out statutory duties where cost-recovery is limited by South Australian Government regulation, in anticipation of having fees raised to reflect cost recovery.

The Local Government Association of South Australia participated with the Australian Local Government Association in producing a national *State of the assets 2014* report which:

- assessed the current position of councils in relation to implementation of asset management plans and long term financial plans)
- provided an assessment of the stock of sealed and unsealed roads and concrete and timber bridges in terms of condition, function and quality, with associated confidence levels
- provided additional data perspectives based on rural and urban classifications across each state and territory.

Actions to develop and implement comparative performance measures between local governing bodies

The Local Government Association of South Australia's former Comparative Performance Measurement Project has been discontinued. Comparisons between councils on a wide range of data are now facilitated by the annual publication by the South Australian Local Government Grants Commission of annual database reports. These reports are available at: http://www.dpti.sa.gov.au/local_govt/LGGC.

Reforms undertaken during 2014–15 to improve the efficiency and effectiveness of local government service delivery

Public health

The Local Government Association of South Australia worked closely with the South Australian Government to deliver training and development opportunities to support council work on public health planning, and implementation of the *South Australian Public Health Act 2011* (SA). This was complemented by comprehensive guidance materials; providing feedback and advice to councils regarding their regional public health plans; attendance and participation at a number of committees, presentations and workshops with councils and elected members; and ongoing communications via the Local Government Association of South Australia Circular and email.

The Local Government Association of South Australia partnered with SA Health to host a Public Health and Wellbeing: Planning for the Future workshop on 24 July 2014. The workshop featured 2007 Adelaide Thinker in Residence, Professor Ilona Kickbusch. Professor Kickbusch provided a keynote address on the critical role of local government in public health planning and action – international experiences and trends.

The Asbestos Briefing Forum was held on 28 November 2014 to outline the roles and responsibilities of different agencies (local government, SA Health, Safework SA, Environmental Protection Authority) in relation to asbestos. In addition, this forum promoted a new centralised website (www.asbestos.sa.gov.au) that local government could use to promote consistency of information to their communities regarding asbestos.

The Local Government Association of South Australia, in partnership with SA Health, held a forum on regional public health plan implementation on 1 December 2014. This forum aimed to inform, update and host local government discussion on issues and developments associated with the early stages of implementing regional public health plans.

A Public Health Partnerships Forum was held on 11 May 2015. The aim of the forum was to provide councils with an update on public health partner authorities; highlight the interaction between regional public health plans and public health partner authorities; clarify emerging questions regarding public health partner authorities and public health partnerships; and provide examples of successful partnerships and identify what makes them successful.

A series of information papers and other relevant links regarding the *South Australian Public Health Act 2011 (SA)* and its particular application to councils were published on the Local Government Association of South Australia website and circulated to councils.

Asset management

The Local Government Association of South Australia has convened a three-person Asset Management Advisory Committee to propose future directions for council support in the area of asset management. The committee held its first meeting in June 2015.

Climate change

Work began on the activities outlined in the Local Government Association of South Australia *Climate Change Action Plan 2015–2017*, which was finalised in December 2014.

The plan identified strategies that the Local Government Association of South Australia could implement to support councils in both their climate adaptation and mitigation efforts. During the year significant progress occurred in the following areas:

- **LGA Renewable Energy Pilot Program**

The Local Government Association of South Australia Renewable Energy Pilot Program raised more than \$280 000 for the Local Government Association of South Australia Solar Innovation Fund, which was used to fund 14 innovative local government renewable or low-emission energy technology projects.

- **Coastal Adaptation Decision Pathways Tool**

The Coastal Adaptation Decision Pathways Tool, previously developed by the Local Government Association of South Australia, University of South Australia and Mallala Council was tested and applied on Yorke Peninsula.

- **Regional climate adaptation plans**

Five regions completed regional adaptation plans: Yorke and Mid North (Central Local Government Association); Eyre Peninsula (Eyre Peninsula Local Government Association); Resilient South (Cities of Onkaparinga, Marion, Holdfast Bay and Mitcham); Murray and Mallee (Murray and Mallee Local Government Association) and Barossa Valley.

Western Adelaide (Adapt West) was close to completing its regional adaptation plans by 30 June 2015, with plans for Northern and Eastern Adelaide, and Fleurieu and Kangaroo Island well under way.

- **Regional adaptation planning guidance**

The Local Government Association of South Australia was instrumental in coordinating the development of regional adaptation plans and providing guidance and support for the planning process. In 2014–15, updated climate adaptation planning guidelines were produced by the Local Government Association of South Australia, representing the most up-to-date methods, processes and scientific data for climate adaptation planning.

- **Climate change impacts on local government assets**

A climate impacts overlay was developed in 2014–15 (incorporated into the Institute of Public Works Engineering Australia's National Asset Management System Plus toolkit). Training on the use of the overlay was undertaken in Adelaide and received positive feedback.

- **Science to Solutions Program**

This leading practice partnership between the Local Government Association of South Australia and the South Australian Government continued in 2014–15. The Science to Solutions Program aimed to identify barriers to the uptake of climate adaptations and programme development, and provided tools and resources to facilitate uptake.

- Stage one was completed in 2014–15 focusing on developing a customised research methodology to guide a programme of detailed engagement in which staff from 42 councils participated
- Stage two will involve implementation and capacity building.

A funding agreement was signed by the project partners on 17 April 2015.

- **Sea level rise problem definition Paper**

The *Sea level rise problem definition* paper, completed in June 2014, was the basis for extensive consultation in 2014–15. For councils the main priority was the development of a well-informed South Australian Government strategic plan for the management of sea level rise.

Greenhouse and energy efficiency

In 2014–15, the Local Government Association of South Australia called for councils to participate in the Energy and Greenhouse Gas Reporting Standards pilot which began on 6 June 2014. The pilot's aim was to develop an emissions benchmarking programme. From this, the Local Government Association of South Australia hoped to initiate a review of criteria for the South Australian Local Government Grants Commission's General Information Return, an economic study which will look at the business case for low energy/emissions technology and work related to sustainable street lighting.

Ageing and community services

The Local Government Association of South Australia made a submission on behalf of South Australian councils on several aspects of the Commonwealth Home Support Program. A number of the issues raised were addressed by the Australian Government, including extended funding agreements and a new funding package to assist councils and other providers with the transition to a new program.

The Local Government Association of South Australia also worked with the Local Government Community Managers' Network to prepare a revised Local Government Ageing Strategy. The revised strategy was intended to focus on how the needs of older people could be better integrated into councils' services. It was intended that the revised strategy would include an implementation plan for future activities. The research and consultation stages were completed during the year.

The Local Government Association of South Australia played an instrumental role in securing the future of the Obesity Prevention and Lifestyle programme. The Local Government Association of South Australia and SA Health formed a joint working group to develop a sustainable and workable future for this important community programme, including making Obesity Prevention and Lifestyle resources available to all councils, not only those specifically participating in the programme. Other community services initiatives included: revising the Child Safe Environment Guidelines; releasing a publication showcasing council initiatives during Anti-Poverty Week; hosting a civic reception during Refugee Week; and participating in the National Local Government Cultural Forum.

Code of conduct

The Local Government Association of South Australia Governance Panel handled 15 complaints referred by councils during 2014–15 year. At 30 June 2015, the Governance Panel's funding arrangements were being reviewed.

Workforce planning

During 2014–15, the Local Government Association of South Australia continued to provide a range of training options in the areas of need that were identified in an earlier sector-wide Workforce Planning project. The Local Government Association of South Australia's Human Resources/Industrial Relations Panel supported councils directly with their workforce planning requirements, particularly with regard to updating and reviewing their plans. The Local Government Association of South Australia also sought expressions of interest for ageing workforce and human resource metrics projects.

Regional collaboration

The Local Government Association of South Australia Outreach Program pilot (in the Central Region and the Eyre Peninsula region) received final evaluation reports that were accepted by each region. The evaluation showed that the pilot delivered real outcomes for both regions and for the Local Government Association of South Australia Secretariat in terms of aligning needs with opportunity. In January 2015, the Local Government Association of South Australia successfully gained funding through the Local Government Research and Development Scheme to extend the Outreach Program to each of the five South Australian regions. Negotiated annual work plans were developed with each region and funds were transferred for 2015–16.

Human resources

A discussion paper on options for award adjustments and a potential sector-wide enterprise bargaining approach was finalised and provided to councils. Indications were that councils supported work to modernise the award and address anomalies but there was not support for a sector-wide enterprise bargaining agreement.

A project was established with funding from the Local Government Research and Development Scheme to scope award improvements. A reference group including employer and employee representatives was established to provide advice.

The Local Government Association of South Australia chose to enter into a tender arrangement for the delivery of human resources and industrial relations services to member councils for three years. This process resulted in the appointment of a panel of seven of the state's most highly regarded legal, human resources and recruitment firms to deliver the required services.

The firms selected each had significant experience working within the local government environment and councils were appreciative of the high standard of advice and assistance.

Although the services provided to each council were confidential, each firm maintained contact with the Local Government Association of South Australia regarding the broader trends and issues surrounding the scope of the service, in order to assist with any sector-wide policy matters that could impact on employee relations.

Economic development

In 2014–15, the Local Government Association of South Australia adopted an Economic Development Statement that described the fundamental role local government could play in economic development and how that would complement the roles of the Australian and South Australian governments. It outlined 11 key economic development priorities for local government.

The Metropolitan Local Government Group ranked economic development as one of its top four priorities for both 2014 and 2015. In October 2014, the Metropolitan Local Government Group hosted an Economic Development Forum which featured presentations of best-practice case studies from nine metropolitan councils to facilitate shared learning and to promote the value of economic development to community wellbeing. A booklet capturing the case studies was distributed to participants and was published online.

The Metropolitan Local Government Group established an Economic Development Think Tank comprising a business leader from each council area to advise the Metropolitan Local Government Group and councils on economic development initiatives.

The Local Government Association of South Australia co-hosted a delegation of 25 local government representatives representing 14 councils, accompanying the Premier's Mission to Shandong, South Australia's sister-state in China, in May 2015. The Local Government Association of South Australia President represented the local government sector as a witness to the signing of a memorandum of understanding on strengthening business cooperation through collaboration between the prefectures of Shandong and South Australia's local councils. This memorandum of understanding was intended to lead to the establishment of a Shandong –South Australia Local Government Economic Development Platform to facilitate and stimulate trade and investment between the regions.

Legislative change

During 2014–15, the Local Government Association of South Australia participated in an Environment Protection Authority working group to develop legislative drafting instructions for a Local Nuisance and Litter Control Bill. The Local Government Association of South Australia also used a local government reference group of metropolitan and regional council staff to inform this process and to respond to key issues arising from the process.

Training new council members

The Local Government Association of South Australia undertook a state-wide roll out of the Council Member Induction Training programme following the introduction of the Training Standard for Council Members in November 2014. Thirty-five councils participated in the rollout, resulting in 310 council members (and some staff) successfully completing the training requirement. Feedback received during this training was complimentary and the programme was universally well received in terms of value, structure and outcomes.

This training programme was also released in an online format with great success. Twenty-seven councils bought the site licence, providing unlimited access for 12 months. A training gap analysis and record-keeping template was also released to councils to assist with the management of mandatory training requirements.

Review of natural resource management services

The Local Government Association of South Australia reviewed natural resource management arrangements, in particular the *Natural Resources Management Act 2004 (SA)* and how local government could approach a legislative review. The Local Government Association of South Australia continued to work with councils in 2014–15 on options for natural resource management to be better aligned with other South Australian Government and local government governance and regional planning processes.

Waste

Feedback was provided on the draft *State waste strategy 2015–20* intended to shape the future of waste management in South Australia. Local government is a critical stakeholder in the waste management sector and the Local Government Association of South Australia continued to lobby to ensure its high-performance waste management practices were recognised and future policy would not negatively affect the sector.

Lobbying for changes to the National Television Computer Scheme took place throughout the year to ensure councils were not disadvantaged by the increasing costs of e-waste recycling. The Australian Government accepted recommendations that would improve outcomes for the scheme and local government more broadly.

Water and wastewater

Through the Water Issues Advisory Panel, the Local Government Association of South Australia provided assistance to councils in the areas of capacity building, pricing of water and enhanced communication. Parallel to this process the Local Government Association of South Australia continued to lobby for funding of priority projects. A submission was provided to a Senate Inquiry into stormwater in April 2015.

During 2014–15 the Local Government Association of South Australia Community Wastewater Management Scheme Management Committee completed the Beachport, Mount Compass, Gladstone and Tulka schemes, providing each of those communities with a significant asset. The Truro and the Mallala schemes progressed well and are nearing practical completion.

The Local Government Association of South Australia Community Wastewater Management Scheme Management Committee continued its technical and seed-funding support of the Eyre Peninsula Joint Community Wastewater Management Scheme Services User Group incorporating nine councils. An additional user group in the Central Region started negotiating

with the committee in the first half of 2015 for support funding and advisory assistance. These groups joined the South East User Group in seeking to achieve greater operational efficiencies and knowledge-sharing on a regional basis.

Legal services pilot programme

A 12-month pilot programme ended on 4 June 2015. The pilot programme aimed to assist councils with legal matters under the *Local Government Act 1999* (SA). The purpose of the pilot programme was to help councils to reduce overall legal expenditure and maximise value from required expenditure. The Legal Services Pilot Program attracted the involvement of 11 councils and was independently evaluated at the end of 12 months. Following the resignation of the legal advisor, the Local Government Association of South Australia decided not to extend the pilot programme.

Public housing transfer

The Local Government Association of South Australia worked closely with the South Australian Minister for Local Government during the year, seeking legislative backing to retain rate income on former South Australian Housing Trust properties. Draft legislative provisions were being considered at the end of the financial year.

Local Government Research and Development Scheme

The Local Government Research and Development Scheme continued as a primary source of funding for research in local government. Funded through tax-equivalent payments by the Local Government Finance Authority, it was overseen by an advisory committee. The scheme has approved a total of 597 projects since its inception in 1997, with a total of \$25.4 million in approved funding. This has attracted significant matching funds and in-kind support from other sources.

There were 39 projects funded by the Local Government Research and Development Scheme during 2014–15.

Guidelines and model policies

The Local Government Association of South Australia continued to provide a range of material, to assist councils to meet their governance obligations. These materials include model policies and procedures, guidelines, information papers and Codes of Practice.

At 30 June 2015, the Local Government Association of South Australia completed a five-year rolling programme for reviewing and revising its model policies, procedures and guidelines. Approximately 95 per cent of all model policies, procedures and guidelines were reviewed during that period and revised as necessary.

Initiatives undertaken and services provided by local governments to Aboriginal and Torres Strait Islander communities

The Local Government Association of South Australia continued to assist the Kurna Local Government Leadership Group, which has led to 25 councils resolving to enter into Indigenous land use agreements with the Kurna people. The land use agreements incorporate: a protocol to simplify *Native Title (South Australia) Act 1994* (SA) processes; an Aboriginal heritage

protocol; a planning protocol; a liaison committee; and establishment of a fund supported by participating councils.

Local government member appointments have been made in anticipation of establishment of the Land Use Agreements Liaison Committee. The 25 participating councils have collectively committed more than \$185 000 to establish and operate the Land Use Agreements Liaison Committee. Work is proceeding to finalise the agreements.

During 2014–15, the South Australian Office of Local Government has been preparing to deliver the municipal services programme to Aboriginal communities across South Australia. In April 2015, the South Australian Government secured \$15 million from the Australian Government to provide municipal services to Aboriginal communities outside of the Anangu Pitjantjatjara Yankunytjatjara Lands.

Local government reform activities in the areas of deregulation and legislative change by the South Australian Government

During 2014–15, the South Australian Office of Local Government progressed amendments to the *Local Government Act 1999* (SA) to:

- improve local government accountability and governance by implementing recommendations made by the South Australian Ombudsman as a result of investigations and audits of local government matters
- achieve a more consistent and contemporary legislative framework for the local government sector
- reform the conflict of interest provisions, defining material conflicts as the most serious, while introducing perceived conflicts of interest, in response to repeated recommendations by the South Australian Ombudsman.

Report from Tasmania

This report has been provided by the Tasmanian Government in liaison with the Local Government Association of Tasmania.

The extent to which the allocation of funds for local government purposes for your jurisdiction has been made on a full horizontal equalisation basis

Horizontal equalisation is the fundamental principle the Tasmanian State Grants Commission uses to determine the allocation of funding under the Financial Assistance Grant programme amongst Tasmanian councils. By doing so, the base grant funds should be distributed in a way that, were each council to make the same effort to raise revenue from its own sources and operated at the same level of efficiency, each would have the capacity to provide services at the same level.

The achievement of full horizontal equalisation by the Tasmanian State Grants Commission is, however, compromised both by insufficient grant funds being available to meet the calculated funding needs of councils, and the requirement for the funding allocations to also adhere to the minimum grant principle. The minimum grant principle ensures that no local governing body will be allocated a base grant less than 30 per cent of its equal per capita share. In 2014–15, this resulted in five councils assessed as without relative need, receiving an entitlement of base grant funds of \$5.14 million, or 14.7 per cent of the total base grant pool. Hence, there is a reduced pool of funds available for the remaining 24 of Tasmania's 29 councils that the Tasmanian State Grants Commission has assessed as having a relative need for support.

In arriving at its distribution recommendations, the Tasmanian State Grants Commission also takes into account the requirements of the other National Principles issued under the *Local Government (Financial Assistance) Act 1995* (Cth) being effort neutrality, other grant support, Aboriginal people and Torres Strait Islanders, and council amalgamation.

The methodology used for distributing funding under the Financial Assistance Grant programme to local government for 2014–15 by your Local Government Grants Commission

Comprehensive details on the Tasmanian State Grants Commission's methodology for determining the distribution of the 2014–15 funding under the Financial Assistance Grant programme is available in the *Tasmanian State Grants Commission financial assistance distribution methodology paper and the State Grants Commission annual report – Financial Assistance Grant allocation for 2014–15*, available at <http://www.treasury.tas.gov.au>.

The general purpose component is distributed on the basis of a two pool approach, by firstly allocating the per capita grant (30 per cent of total base grant) on the basis of council population shares, and then distributing the remainder (70 per cent of total base grant) on a relative needs or equalisation basis. This is seen as the simplest and most transparent means of giving effect to third National Principle in relation to the minimum grant.

The equalisation model calculates a distribution of the relative needs pool using a balanced budget approach; that is, each council's relative needs grant entitlement is derived from the difference between the council's expenditure requirement necessary to provide services to a common standard with all other councils, and the council's revenue capacity.

Councils that are assessed to have a negative standardised deficit (i.e. a surplus where revenue capacity is greater than expenditure requirement) do not receive a relative needs grant component. These councils only receive a population share of the per capita minimum grant portion of the base grant pool. The relative needs component portion of the general purpose component is allocated amongst councils assessed to have positive standardised deficits (i.e. a deficit where expenditure requirement is greater than revenue capacity) and is allocated in proportion to those standardised deficits.

Calculation of base grants

The assessment model uses a balanced budget approach whereby the grant entitlement of a council is calculated according to the difference between expenditure requirement and revenue capacity as calculated by the Tasmanian State Grants Commission. The basic equalisation calculation is: revenue capacity – expenditure requirement = assessed surplus or deficit.

Revenue capacity is calculated by adding the three year averages of:

- the revenue a council would raise by applying the state-wide average rate in the dollar to all its rateable property (standardised revenue)
- the council's per capita grant allocation
- certain other financial support payments.

Expenditure requirement is calculated by adding the following:

- a three-year average of the expenditure 'required' to provide a common range of services (standardised expenditure)
- any allowances for additional support provided by councils for either general practitioner practices or airports
- the budget result term which enables a balanced budget at a state level.

Standardised expenditure is calculated as follows:

1. calculate total state-wide spending for each expenditure category
2. share the total expenditure between councils on a per capita basis (standard expenditure)
3. apply cost adjustors to standard expenditure to reflect inherent cost advantages or disadvantages faced by individual councils in providing services.

Cost adjustors include: absentee population; scale (admin); climate; scale (other); dispersion; tourism; isolation; unemployment; population decline; worker influx and regional responsibility.

Each council's relative need for additional support is determined based on their assessed surplus/deficit position and is interpreted by using the following approach:

- assessed deficit – expenditure requirement exceeds revenue capacity. A council will receive a share of the relative needs pool according to its share of the total state-wide deficit
- assessed surplus – revenue capacity exceeds expenditure requirement. A council will not receive a share of the relative needs pool, but will still be entitled to its population share of the per capita pool.

Calculation of road component

The *Local Government (Financial Assistance) Act 1995* (Cth) National Principles require that the road grant component be allocated according to asset preservation. In accordance with this principle and to ensure that the grant allocation reflects the mix of road and bridge assets maintained by councils, the road grant is proportionally allocated according to council shares of the modelled cost of asset preservation of bridge (bridge and culvert assets) and road assets in Tasmania.

Road preservation model

The model uses dimensions of the average Tasmanian road, as well as average costs and maintenance schedules to calculate the state average cost per kilometre per annum for councils to maintain their road networks. Three road types are included within the assessment. These are urban sealed, rural sealed and unsealed.

Cost adjustors and an allowance are applied within the model to account for relative cost advantages or disadvantages faced by councils in maintaining roads. These cost adjustors include rainfall, terrain, traffic and remoteness. An urbanisation allowance is also applied. The model calculates an assessed cost for each council to maintain its road network. The available funds are then distributed to councils based on their share of the total state-wide cost to councils.

Grant stability

The Tasmanian State Grants Commission is aware of councils' preference for grant stability. In finalising grants each year the Tasmanian State Grants Commission applies a 15 per cent cap (to prevent councils grant increasing by more than 15 per cent annually), and a 10 per cent collar (to prevent council's grants decreasing by more than 10 per cent annually) to the base grant allocations.

In determining the 2014-15 base grant allocations, the 15 per cent cap affected seven councils. The 10 per cent collar affected three councils. Caps and collars are not used in the road grant model.

Triennium reviews

The Tasmanian State Grants Commission monitors council practices to ensure that its methods for distributing both the base and road grants are contemporary and equitable across councils. The Tasmanian State Grants Commission also monitors developments in local council policies, with a view to ensuring that the modelling reflects standard council policies.

In this context, the Tasmanian State Grants Commission operates a triennial review policy whereby major methodological changes are incorporated into its assessments every three years, with data updates and minor methodological revisions incorporated each year. This policy is designed to balance the conflict between grant stability and the desirability of updating the modelling to reflect the horizontal equalisation principle and developments in council practices.

Data sources

The Tasmanian State Grants Commission's models are primarily data driven, which means that significant changes in data can influence calculated grant shares. The Tasmanian State Grants Commission takes the accuracy and consistency of data seriously and actively seeks to increase

the integrity of the data used within the assessments. The Tasmanian State Grants Commission uses data from many sources to inform its models and decisions, including data from the Australian Bureau of Statistics, the Valuer-General, Tourism Research Australia, the Bureau of Meteorology, various state and Australian Government departments, engineering advice and data sourced from councils either directly or through the annual consolidated data collection process of the Local Government Division of Tasmania's Department of Premier and Cabinet.

The main datasets sourced by the Tasmanian State Grants Commission to inform its models, and where the data is sourced from, are provided in Table B-21.

Table B-21 Datasets used by the Tasmanian State Grants Commission

Data used	Source
Population, population dispersion, workforce movements, place of usual residence, dwellings, unoccupied to total dwellings as per census night survey	Australian Bureau of Statistics
Assessed annual values data by municipality	Office of the Valuer-General
Domestic day tripper data	Australian Government Tourism Research Australia
Bed capacity data	Tiger Tours (Tourism Tasmania)
Unemployment, labour force data	Australian Government Department of Employment
Rainfall data	Bureau of Meteorology
General practice, airport costing data	Affected councils
Car parking operations	Consolidated Data Collection Returns sourced from the Tasmanian Local Government Division of the Department of Premier and Cabinet
All council revenue and expenditure, by function/expense category, grant and other financial support receipts, road lengths and type	Consolidated Data Collection Returns sourced from the Tasmanian Local Government Division of the Department of Premier and Cabinet
Roads to Recovery Programme funding	Australian Government Department of Infrastructure and Regional Development
Tasmanian freight survey – freight task by council road network by road type	Tasmanian Department of State Growth
Roan component construction costs, road and bridge construction index	Australian Institute of Quantity Surveyors Australian Bureau of Statistics Consultant engineers and councils
Geographic information system rainfall and terrain data broken down by road type and road slope	Tasmanian Department of Primary Industries, Parks, Water and Environment
Bridge and culvert asset inventory, including location, dimensions and construction type	State Grants Commission Council Bridge Data Returns

Changes to the methodology for distributing funding to local government under the Financial Assistance Grant programme for 2014–15 from that used in 2013–14

The 2014–15 distribution represented a between year, such that the Tasmanian State Grants Commission did not make any changes to its methodologies from those used in determining the 2013–14 distribution. Only data updates were applied.

Notwithstanding that only data changes were applied, there were still some significant base grant movements. In arriving at the 2014–15 distributions, the Tasmanian State Grants Commission also took into account the following matters for determining the distribution of the base grant funding:

- changes in water and sewerage distributions to councils as a result of the move to equity-based dividend arrangements for TasWater. The Tasmanian State Grants Commission recognised this change through backcasting, whereby water and sewerage returns based on the equity arrangements were imputed into prior year's returns data
- impacts on the rating base of both the January 2013 bushfires and the reclassification of forestry land as reserves under the Tasmanian Forestry Agreement from 1 July 2014.

Legislative change

During the 2014–15 year, the *State Grants Commission Amendment Act 2015* (Tas) was passed by the Tasmanian Parliament and commenced on 15 May 2015. The *State Grants Commission Amendment Act 2015* (Tas) amended the *State Grants Commission Act 1976* (Tas) by reducing the number of members of the Tasmanian State Grants Commission from four to three, such that it now comprises two local government nominated members and a third member (Chair), nominated by the Secretary of the Tasmanian Department of Treasury and Finance and approved by the State Treasurer. Local government representation on the Tasmanian State Grants Commission was unaffected and remains unchanged at two members. This also increased the maximum appointment term for members from three years to five years and removed the position of Secretary from the statute.

Developments in the use of long-term financial and asset management plans by local government

After extensive consultation with the local government sector in 2013, the Tasmanian Government amended the *Local Government Act 1993* (Tas) to mandate long-term financial and strategic asset management planning for Tasmanian councils, as well as other related financial and asset management initiatives.

The amendments also provided a power for the Minister responsible for local government to make statutory rules (orders) regarding long-term financial management and strategic asset management planning, financial management and asset management strategies, asset management policies, audit panels and financial and asset management sustainability indicators.

Three ministerial orders were developed in consultation with the Local Government Association of Tasmania and the local government sector. The orders, proclaimed and gazetted in February 2014, were the:

- *Local Government (Content of Plans and Strategies) Order 2014* (Tas), which outlines the minimum requirements necessary for all long-term financial and asset management planning documents
- *Local Government (Management Indicators) Order 2014* (Tas), which lists the financial and asset management sustainability indicators (the same indicators that the Auditor-General reports annually to Parliament)
- *Local Government (Audit Panels) Order 2014* (Tas), which provides guidance to councils on the structure, membership and primary functions of audit panels.

The Tasmanian Auditor-General has been monitoring compliance with these legislative requirements during his annual audits of Tasmanian Council's financial statements. As of 30 June 2015, the Auditor-General found that 18 (15 in 2013–14) of the 29 councils fully complied with all three Orders and another 10 partially complied. Only one council was yet to appoint an audit panel in accordance with the *Local Government (Audit Panels) Order 2014* (Tas).

In 2014–15, the Auditor-General found that 21 councils fully complied with the *Local Government (Content of Plans and Strategies) Order 2014* (Tas) (compared with 17 in 2013–14) and a further eight partially complied with the order. In 2014–15, 24 councils fully complied and five partially complied with the *Local Government (Management Indicators) Order 2014* (Tas). This improved from 20 fully compliant and nine partially compliant in 2013–14.

The Auditor-General's findings are indicative that the majority of Tasmanian councils are making strong progress in the area of financial and asset management planning. Moreover, since the introduction of mandatory long-term financial and asset management planning, there has been a noteworthy improvement in the financial and asset management performance of local government in Tasmania, as measured by a number of financial and asset management sustainability indicators. The 2014-15 financial year was the first of the last nine years that the sector as a whole returned an average operating surplus, which is a significant improvement compared to the sizable operating deficits reported in prior years.

In the last 12 months, the Local Government Association of Tasmania has continued to support councils with residual funds obtained from the Commonwealth's Local Government Reform Project. This has included direct funding to councils struggling to meet improvement targets; the development of 21 practice summaries on financial and asset management for use by councillors and council officers; and a two-day forum focused on financial and asset management best practice.

The Tasmanian Government is continuing to provide support and guidance resources to councils with respect to their long-term financial and asset management processes.

Actions to develop and implement comparative performance measures between local governing bodies

Until 2014, the Tasmanian Government produced the Sustainability objectives and indicators report to measure council performance on an annual basis.

The Sustainability Objectives and Indicators project was a key initiative of the Tasmanian Government to drive sustainability reform and improve performance and to encourage the local government sector to do the same. The Sustainability Objectives and Indicators project formed part of the Tasmanian Government's Financial Sustainability Framework for Local Government, of which the overall objective was to ensure the local government sector improved its sustainability and developed and improved its financial and asset management capability and capacity. The Sustainability Objectives and Indicators project was progressed in close collaboration with the Local Government Association of Tasmania.

The *Sustainability objectives and indicators* report contained detailed analysis and presentation of financial, asset management and planning and development data and in particular, a number of sustainability indicators.

The Tasmanian Government reviewed the Sustainability Objectives and Indicators project in December 2014 and evaluated its efficacy at driving a culture of continuous improvement within Tasmanian councils. The review report made the general finding that while there was strong support for a performance assessment system for local government in Tasmania, the *Sustainability objectives and indicators* report in its current form was only a useful tool for some councils. The evaluation found that the indicators measured through the *Sustainability objectives and indicators* report were valuable, but there would be benefits in reconsidering what the indicators currently measure and identifying indicators that are meaningful to a

wider audience. The ultimate finding from the review was that the *Sustainability objectives and indicators* report does not drive continuous improvement and that any performance reporting needs to be supported by other tools and mechanisms to promote continuous improvement.

In response to the review findings, it was proposed that the *Sustainability objectives and indicators* report be subsumed into a new Continuous Improvement Framework. Options for the framework included:

- an annual performance assessment report or reports as required to meet the different needs of different audiences
- self-assessment tools to support ongoing assessment of operations and performance
- best practice promotion and case studies
- information and education aimed at improving performance in line with needs identified through the performance assessment report.

These recommendations are being progressed in consultation with the Continuous Improvement Framework Advisory Group which comprises representatives from councils, the Local Government Association of Tasmania, the Tasmanian Audit Office and the Tasmanian Department of Premier and Cabinet.

Core local government data continues to be provided to the Australian Bureau of Statistics for its local government finance statistics and to the Tasmanian State Grants Commission for its distribution of the Australian Government funding under the Financial Assistance Grant programme.

Currently, the Local Government Association of Tasmania conducts a comprehensive biennial workforce survey. It is anticipated that this data collection will be incorporated into the annual data collection conducted by the Tasmanian Government, improving the quality and cohesiveness of the data set.

Reforms undertaken during 2014–15 to improve the efficiency and effectiveness of local government service delivery

In February 2015, the Tasmanian Minister for Planning and Local Government began discussions with mayors, deputy mayors and general managers regarding voluntary amalgamations and strategic shared service initiatives. Tasmania committed to provide financial assistance to councils who would undertake feasibility studies into voluntary amalgamations or enhanced strategic shared services. In doing so, the Tasmanian Government emphasised that proposed reforms must: be in the interest of rate payers; improve the level of services for communities; preserve and maintain local representation; and ensure that the financial status of the entities is strengthened.

Two memoranda of understanding have been signed between the Tasmanian Government and councils in the southern region of Tasmania. These outline proposals to conduct feasibility studies into local government reform opportunities including voluntary amalgamations, strategic shared services and resource sharing options for:

- Greater Hobart Councils, including Hobart City, Clarence City, Glenorchy City and/or Kingborough Councils
- South East Councils, including Clarence City, Sorell, Glamorgan-Spring Bay and Tasman Councils, and as a subset of this: Clarence City, Sorell and Tasman Councils; Sorell and Tasman Councils; and Sorell, Glamorgan Spring Bay and Tasman Councils.

In addition, proposals to investigate comprehensive shared service arrangements are close to completion, with memoranda of understanding currently being drafted for the nine councils in the Cradle Coast region and the eight councils in the northern region.

In May 2015, the Tasmanian Premier's Local Government Council endorsed a three-year strategic action plan that will guide state government and local government collaboration in four priority areas: collaboration, economic development, governance and legislation. Several initiatives have already been completed including:

- development of a memoranda of understanding to reduce the burden and increase efficiency associated with key regulatory requirements
- an audit of shared services
- development of a Good Governance Guide (to be released in March 2016).

The Local Government Association of Tasmania continues to support service delivery improvements and efficiency for members through the following mechanisms:

- whole-of-sector procurement activity through participation in the national procurement network as well as direct engagement (such as the whole of sector public street lighting contract delivered this year for the first time as we moved to a contestable energy market)
- whole-of-sector tools to support compliance, such as updated delegations and compliance registers and the work health and safety suite of policies, procedures and guidance
- improved capacity through regular training offerings to elected members and officers.

Initiatives undertaken and services provided by local governments to Aboriginal and Torres Strait Islander communities

The Tasmanian Government is not aware of any specific local government initiatives undertaken in 2014–15 in Tasmania in relation to service delivery to Aboriginal and Torres Strait Islander communities.

Local government reform activities in the areas of deregulation and legislative change by the Tasmanian Government

In 2014–15, the Tasmanian Government amended the following legislation:

- *Burial and Cremation (Handling of Human Remains) Regulations 2005* (Tas) and the *Burial and Cremation (Cemetery) Regulations 2005* (Tas)
- *Local Government (Meeting Procedures) Regulations 2005* (Tas)
- *Local Government (General) Regulations 2005* (Tas)
- *Local Government Act 1993* (Tas) through the Local Government Amendment (Code of Conduct) Bill 2015.

The State Government reviewed the *Burial and Cremations (Cemetery) Regulations 2005* (Tas) and the *Burial and Cremation (Handling of Human Remains) Regulations 2005* (Tas), together with a third set of regulations, the *Burial and Cremation (Cremation) Regulations 2012* (Tas), remaking and combining the three sets of regulations into a single set of regulations – the *Burial and Cremation Regulations 2015* (Tas). The combined regulations were remade in June 2015.

The *Local Government (Meeting Procedures) Regulations 2015* (Tas) took effect from 29 June 2015 and prescribes meeting procedures for councils and council committees. The new regulations make changes to the procedures for notification of meetings, adjournment of meetings, closed meetings, council motions, minutes of meetings and miscellaneous matters.

The regulations also make a number of definitional amendments to increase clarity and consistency and remove duplication within the regulations and between the regulations and the *Local Government Act 1993* (Tas).

The *Local Government (General) Regulations 2015* (Tas) took effect from 29 June 2015 and amend and remake the *Local Government (General) Regulations 2005* (Tas). The amendments make changes to the provisions for tenders and contracts, expenses for elected members, council land information certificates (section 337) and related questions and miscellaneous matters.

The largest legislative reform of 2014–15 was the Local Government Amendment (Code of Conduct) Bill 2015. The amended legislation provides local government with an effective, enforceable and streamlined framework to deal with councillor code of conduct complaints under the *Tasmanian Local Government Act 1993* (Tas).

Other minor amendments to the *Tasmanian Local Government Act 1993* (Tas) that progress the government's commitment to streamline and enhance the legislative framework provided for local government included restricting the eligibility criteria for nominating as a councillor to persons who have their principal place of residence in Tasmania.

The Local Government Amendment (Code of Conduct) Bill 2015 has been passed by the Tasmanian Parliament, and the Tasmanian Department of Premier and Cabinet has commenced the task of implementing the new streamlined code of conduct system, including developing the model code of conduct for local government and setting up the state-wide code of conduct panel.

Councils in Tasmania leading digital transformation

All Tasmanian councils have made significant progress in the area of delivering services in a digital format. At the forefront of these is the Launceston City Council, which now delivers the following services and functions digitally:

- electronic payments and billing, along with a host of tracking and lodgement systems
- planning and building application submission and assessment approvals
- video conferencing across multiple locations
- an online community engagement platform and feedback tool
- Snap Send Solve app that lets residents report issues and provide feedback to the council in under 30 seconds
- Start Something Special app which has the latest information on accommodation, transport, services and things to see and do while in Launceston and the north of Tasmania
- live streaming of council meetings
- Twitter, Facebook, and Instagram accounts and YouTube channels.

Twenty of the 29 councils have their interim planning schemes accessible through *iplan*, the Tasmanian Government's online resource for planning and development. This collaborative initiative allows the planning schemes to be searched for information relevant to a property or development. A business case is currently being developed which would allow *iplan* to be expanded to include all local planning schemes, manage referrals and allow for online development applications and tracking. It is seen by the local government sector as an important vehicle to support the implementation of the new single state-wide Tasmanian Planning Scheme.

As the national broadband network roll out progresses councils are exploring new digital opportunities. The Local Government Association of Tasmania has scheduled three regional breakfast forums in February 2016 which focus on the cost of not taking up the national broadband network opportunity and will highlight local government innovations from around the country. Subsequent to those forums, it is the Local Government Association of Tasmania's intent to canvas the interest of members in pursuing a whole-of-sector digital strategy.

Report from the Northern Territory Government

The extent to which the allocation of funds for local government purposes for your jurisdiction has been made on a full horizontal equalisation basis

The Northern Territory Grants Commission raise concerns with the extent that the Northern Territory is able to equalise given its circumstances and the National principles it is required to adhere to under the *Local Government (Financial Assistance) Act 1995* (Cth). The following is a summary of the key concerns:

- the division of the general purpose funding pool on a per capita basis between the jurisdictions, when the legislation requires allocation within jurisdictions on the basis of horizontal equalisation. Whilst the Northern Territory Grants Commission is of the belief that the methodology achieves horizontal equalisation as best it can, there is still the situation where a jurisdiction in which local government is in its infancy, receives a total of \$16.5 million to assist 17 councils to provide local government services in one of the most remote and disadvantaged environments in Australia
- a widening shortfall between the methodology's assessed needs and the funds available, driven primarily by councils' costs increasing at a greater rate than the escalation factor applied to the funding pool. This is further exacerbated by the Australian Government's decision to pause indexation for three years
- the annual decrease in real terms of the funding pool, which is highlighted by the overall national pool in 1991–92 representing approximately one per cent of Australian Government revenue. In 2014–15, this figure had dropped to approximately point six of one per cent of Australian Government revenues
- a direct contradiction between the achievement of horizontal fiscal equalisation and the requirement for the respective jurisdictions to allocate all councils 30 per cent per capita minimum grant. In the Northern Territory context that means that approximately \$3 million of the \$16.5 million grant pool goes to councils with no assessed need for funding.

The methodology used for distributing funding under the Financial Assistance Grant programme to local government for 2014–15 by your Local Government Grants Commission

The Northern Territory Grants Commission's methodology conforms to the requirement for horizontal equalisation as set out in the *Local Government (Financial Assistance) Act 1995* (Cth).

The Northern Territory Grants Commission, in assessing relative need for allocating general purpose funding, uses the balanced budget approach to horizontally equalise based on the formula of: assessed expenditure need minus assessed revenue capacity equalling assessed equalisation requirement.

The methodology calculates standards by applying cost adjustors and average weightings to assess each local government's revenue raising capacity and expenditure need. The assessment is the Northern Territory Grants Commission's measure of each local government's ability to function at the average standard in accordance with the National Principles.

Population

The Northern Territory's funding is based on a total population figure using the latest Australian Bureau of Statistics estimated resident population figures and then adjusted to align with the population total from the Northern Territory Department of Treasury and Finance.

Revenue raising capacity

As the ownership of the land on which many communities are located is vested in land trusts established pursuant to the *Aboriginal Lands Rights (Northern Territory) Act 1976* (Cth), it is not, for all intents and purposes, feasible to use a land valuation system solely as the means for assessing revenue raising capacity.

The collection of actual accurate financial data through the Northern Territory Grants Commission's annual returns enabled a number of revenue categories to be introduced, including municipal, shire and regional council rates, domestic waste and interest.

In addition, to accord with the National Principles, other grant support to local governing bodies by way of the Roads to Recovery Programme, library and local roads grants are recognised in the methodology. In the case of recipients of the Roads to Recovery Programme, 50 per cent of the grant was included. Recipients of library grants and local roads grants have the total amount of the grant included.

The Northern Territory Grants Commission considers that, given unique circumstances within the Territory, this overall revenue raising capacity approach provides a reasonable indication of a council's revenue raising capacity. For the 2014–15 allocations, financial data in respect of the 2012–13 financial year was used.

Expenditure needs

The assessment of standard expenditure is based on the Northern Territory average per capita expenditure within the expenditure categories to which cost adjusters reflecting the assessed disadvantage of each local government are applied.

The Northern Territory Grants Commission uses the nine expenditure categories in accordance with the Australian Bureau of Statistics Local Government Purpose Classifications. In the 2012–13 and 2013–14 grant calculations, an additional expenditure category was created (Regional Centre Recognition) to acknowledge the financial drains on municipal councils caused by urban drift. This expenditure category was also used for the 2014–15 grant allocations.

Cost adjustors

The Northern Territory Grants Commission uses cost adjustors to reflect a local government's demographics, geographical location, external access, and the area over which it is required to provide local government services. All these influence the cost of service delivery. There are three cost adjustors, being location, dispersion and Aboriginality.

Minimum grants

For most local governments, the assessed expenditure needs exceed the assessed revenue capacity, meaning there is an assessed need. In five cases, assessed revenue capacity is greater than assessed expenditure need, meaning that there is no assessed need. However, as the legislation requires that local governments cannot get less than 30 per cent of what they would have been allocated had the funding been distributed solely on the basis of population, five local government councils still receive a grant, or what is referred to as the minimum grant.

Formulae – revenue component

The formulae for the revenue component for all councils is provided in Table B-22.

Table B-22 Northern Territory formulae for the revenue component

Assessed revenue raising capacity	=	Total identified local government revenue
Total local government revenue	=	Assessed Northern Territory average revenue plus other grant support plus budget term
Where		
Revenue category	=	Domestic waste, garbage, general rates, general rates other, special rates parking, special rates other, fines and interest
Domestic waste	=	Per capita
Garbage other	=	Actual
General rates	=	Average rate
Service charges	=	Per capita
Interest	=	Actual
State income by revenue category 2012–13	=	Actual state local government gross income
Actual state local government gross income 2012–13	=	\$135 059 737
Other grant support	=	Roads to Recovery Programme grant 2013–14 (50 per cent), library grant 2013–14 and roads grant 2013–14
Budget term	=	Population multiplied by per capita amount
Total local government revenue for 2014–15 allocations	=	\$297 712 818

Formulae – expenditure components

Total local government expenditure of \$297 712 818 is apportioned over each expenditure component.

- General public services (\$101 387 202)
- Community population/Northern Territory population x general public services expenditure x Aboriginality
- Public order and safety (\$17 950 535)
- Community population/Northern Territory population x public order and safety expenditure x (location + dispersion + Aboriginality)
- Economic affairs (\$32 052 500)
- Community population/Northern Territory population x economic affairs expenditure x (location + dispersion)
- Environmental protection (\$16 350 357)
- Community population/Northern Territory population x environmental protection expenditure
- Housing and community amenities (\$46 537 611)
- Community population/Northern Territory population x housing and community amenities expenditure x (location + dispersion + Aboriginality)
- Health (\$2 937 643)

- Community population/Northern Territory population x health expenditure x (location + dispersion + Aboriginality)
- Recreation, culture and religion (\$46 037 974)
- Community population/Northern Territory population x recreation, culture and religion expenditure x (location + dispersion)
- Education (\$2 641 386)
- Community population/Northern Territory population x education expenditure x (location + dispersion + Aboriginality)
- Social protection (\$19 767 610)
- Community population/Northern Territory population x social protection expenditure x (location + dispersion + Aboriginality)
- Regional centre allowance (\$12 050 000)
- Relevant municipal council x assessed expenditure impacts

Formula – local road grant funding

To determine the local road grant, the Northern Territory Grants Commission applies a weighting to each council by road length and surface type. The weightings for each road type are: 27 for sealed; 12 for gravel; 10 for cycle path; seven for formed and one for unformed. The general purpose location factor is also applied to recognise relative isolation.

Changes to the methodology for distributing funding to local government under the Financial Assistance Grant programme for 2014–15 from that used in 2013–14

During the course of 2013–14, the Northern Territory Government de-amalgamated Victoria Daly Regional Council into two councils; these being the Victoria Daly Regional Council and the West Daly Regional Council. This required the Northern Territory Grants Commission to incorporate the new entity into the methodology and calculate revised cost adjustors, population data and extrapolate financial data for the new council from the financial records of the Victoria Daly Regional Council. These new entities commenced operations on 1 July 2014.

Developments in the use of long-term financial and asset management plans by local government

In 2014–15, the Northern Territory Department of Local Government and Community Services entered into a three-year agreement with the Local Government Association of the Northern Territory to provide a range of support services to the Northern Territory local government sector. One of the initiatives included under that three-year agreement was for Local Government Association of the Northern Territory to assist with providing best practice asset management guidance to councils. During the year the Local Government Association of the Northern Territory:

- provided advice and assistance to councils on asset management practices as well as coordinated the Big Rivers Region Asset Management Working Group
- visited councils in the central Australia region to assess progress and updates on councils' asset management plans

- assisted the Alice Springs Town Council in updating its asset management plans
- assisted the Barkly Regional Council to help new staff in understanding asset management principles and identifying the current state of that particular council's progress in asset management and long-term financial planning
- arranged two Finance Reference Group meetings (attendees at these meetings were senior council officers including: Corporate Services Directors, Chief Financial Officers, Chief Operating Officers, Finance Directors and Finance Managers). At these sessions a range of topics relating to long-term financial and asset management plans were discussed.

Actions to develop and implement comparative performance measures between local governing bodies

The Australian Centre for Excellence in Local Government in response to the delivery of the National Asset Management System programme developed a council self-assessment tool to assist councils evaluate their progress with implementing the elements of the Local Government Planning Minister's Council Financial Sustainability Frameworks. In 2014-15, councils' data was collected and aggregated by the Local Government Association of the Northern Territory into a Northern Territory-wide report but separated between regional and municipal council responses.

To collect individual council data, the Local Government Association of the Northern Territory developed a web-based self-assessment tool which provided a pictorial and textual report on where individual councils are positioned in relation to asset management and long-term financial planning. The intent of this tool is to empower councils with base line data and a mechanism to aid in assessment and evaluation of their asset and financial management capacity.

During 2014-15, the Local Government Association of the Northern Territory undertook research into developing a framework for assessing short-term and long-term financial sustainability using a standard set of financial indicators.

During the year, a Model Financial Statements Working Group was established comprising of members from the Local Government Association of the Northern Territory, the Northern Territory Department of Local Government and Community Services and council staff to develop an annual financial reporting framework for the Northern Territory's local government sector. The Model Financial Statements aims to include three standard ratios which will enable comparison of financial performance across the sector.

Reforms undertaken during 2014-15 to improve the efficiency and effectiveness of local government service delivery

Local Authorities were established in 63 remote communities within nine regional councils across the Northern Territory and comprise between six to 14 members including community nominated and regional council elected members. Local Authority meetings are held at least four times per year and discuss a range of issues such as council planning, budgeting, employment and the monitoring of service delivery within their respective communities.

A review of Local Authorities found that in their first year of operation, Local Authorities were delivering on their objectives to deliver a stronger local voice and greater accountability for service delivery. There are 724 members of Local Authorities, 621 of whom are Indigenous (86 per cent) and 302 are female (42 per cent). In their first 12 months, Local Authorities had held 293 meetings and raised 697 actions with regional councils and 596 had been responded to (86 per cent).

In June 2015, the Northern Territory Government endorsed broadening the functions of Local Authorities as the preferred body for government's engagement with remote communities across all portfolio areas. Planning for the implementation of this new initiative is a collaborative process with regional councils.

Initiatives undertaken and services provided by local governments to Aboriginal and Torres Strait Islander communities

Local Authorities were established in 63 remote communities across the Northern Territory. Of the 724 members of Local Authorities, 621 are Indigenous (86 per cent) and 302 are female (42 per cent). In addition to delivering a stronger local voice and greater accountability for service delivery, one of the functions of Local Authorities is to determine local projects that reflect the needs and priorities of the local community. Examples to date include playgrounds, sporting facilities, street lighting, community festivals and public toilets. Regional councils receive funding of \$5 million per year, which is allocated through a methodology that has some parallels with the methodology used for distributing funding under the Financial Assistance Grant programme.

In 2014–15, the Northern Territory Department of Local Government and Community Services provided \$7.9 million in funding to one shire and nine regional councils to assist with subsidising 50 per cent of the cost of employing Indigenous staff within their councils. The grant provides financial assistance for salaries and approved on-costs for Indigenous employees delivering core council services.

Local government reform activities in the areas of deregulation and legislative change by the Northern Territory Government

During the course of 2014–15 there was amendment to the *Local Government Legislation Amendment Act 2015* (NT). These amendments:

- changed the timing of the next periodic general election to 2017 (and every four years after that) and fixed polling day to be the 4th Saturday in August
- extended the period in which casual vacancies can be filled by appointment, rather than a by-election, to 18 months before a general election
- gave councils the flexibility to choose to conduct by-elections by themselves; engage an external electoral service provider; or use the services of the Northern Territory Electoral Commission for by-elections
- allowed municipal councils to choose to conduct by-elections by postal voting only and to fill the office of the principal member by appointment or election
- expanded postal voting and early voting services to all voters; re-targeted absent voting services on polling day to designated polling places in regional centres
- changed the time by which postal votes must be received from 6 pm on the 6th day after polling day to 12 noon on the 6th day after polling day
- provided the Northern Territory Electoral Commissioner with the power to set polling hours on polling day for by-elections and transferred the jurisdiction of the Local Government Tribunal to the Northern Territory Civil and Administrative Tribunal
- streamlined and aligned the rules for publishing election material to reduce costs and frequency of publication in newspapers and on council websites.

In 2014–15 there was no activity in the area of deregulation.

Councils in Northern Territory leading digital transformation

East Arnhem Regional Council video conferencing

The East Arnhem Regional Council is situated in the north east of the Northern Territory and covers an area of 33 659 km². During the wet season (October to May) many of the communities are cut off due to flooding which has, in the past, interfered with the East Arnhem Regional Council's ability to hold ordinary council meetings. The East Arnhem Regional Council has installed video conferencing facilities in their remote community service delivery centres and its two head offices. The installation of these electronic devices has been used as a mechanism for attaining quorums for both ordinary council meetings and local authority meetings. Council meetings can proceed as scheduled and decisions regarding budgets and service delivery can be made without interruption.

City of Darwin 2014–15 Annual Report

The City of Darwin council launched an interactive 2014–15 annual report through its webpage. This is the first interactive annual report published by a council in the Northern Territory. The web-based annual report contains shortcut icons which enables the reader to navigate directly to the contents page or to the council's webpage. There are side navigation icons that will take the reader directly to a certain section of the report, and links to web and email addresses which will open in the reader's browser when clicked on.

Report from the Local Government Association of the Northern Territory

Developments in the use of long-term financial and asset management plans by local government

During the year the Local Government Association of the Northern Territory provided limited assistance to the following councils with their long-term asset and financial planning: Roper Gulf Regional Council; Katherine Town Council; Victoria Daly Regional Council; Tiwi Islands Regional Council; Barkly Regional Council; Alice Springs Town Council; MacDonnell Regional Council; Central Desert Regional Council; City of Darwin; City of Palmerston; West Arnhem Regional Council; Belyuen Shire Council; Litchfield Council; and Wagait Shire Council.

While many of these councils have yet to formally adopt asset management plans for all categories of infrastructure assets that they are responsible for, some have developed draft documents that are to be considered by the elected members, while other councils are still much in the data collection phase of the process. While formal adoption of asset management plans has not yet occurred for most councils, all Northern Territory councils are aware of the need to have plans in place and are progressing with their development.

During 2014–15, 15 of the 18 councils (including the Local Government Association of the Northern Territory) responsible for managing local government infrastructure participated in the self-assessment of their individual performances relating to the 11 elements of the National Assessment Framework.

While there was an overall decline in performance from previous years, it is the Local Government Association of the Northern Territory's opinion that this decline reflects a growing maturity by the council employees in interpreting the 119 characteristics that comprise the 11 elements of the National Assessment Framework and assessing their councils' performances more critically than in previous years.

Actions to develop and implement comparative performance measures between local governing bodies

The Local Government Association of the Northern Territory has formed a working group that is tasked with the development of model financial statements for use by Northern Territory councils that incorporate specific financial sustainability indicators that will enable comparison of sustainability amongst similar councils. While several councils have already commenced reporting in accordance with the draft model, there is an expectation that all the councils will be using a consistent format for the 2015–16 financial reports.

Reforms undertaken during 2014–15 to improve the efficiency and effectiveness of local government service delivery

During 2014–15, councils reported the following as being major initiatives undertaken to improve the efficiency and effectiveness in the delivery of services throughout the Northern Territory:

- expansion of strategies in waste management and operations originally implemented as a pilot project including
 - modifying sites to allow waste to be sorted prior to any waste going to landfill

- establishing recycling centres that sell reclaimed and recycled goods
- establishing specific areas for the storage of chemical and hazard wastes
- gaining recognition through Territory Tidy Towns awards
- the granting of the National Awards in Local Government for the Central Desert Regional Council for *Creating great landfills in central Australia remote Aboriginal communities*
- continued upgrading of council sporting facilities to allow national and smaller sporting events to occur in council areas
- endorsement of city centre master plans to inform residents and property owners of council plans including those to do with parking and cycle access
- use of solar power at council facilities to reduce utility costs
- implementation of a Community Energy Efficiency programme to minimise power consumption
- matching children services to the early childhood education and care regulations
- undertaking new activities and supporting numerous events to do with seniors, youth, and disabled persons
- refreshing home care services to meet national standards
- delivery of services to outstation living areas
- deployment of workforce mentors to retain employees in jobs.

In addition, through an initiative supported by the Northern Territory Department of Local Government and Community Services, the Local Government Association of the Northern Territory has been able to expand on its training support supplied to elected members and appointed Local Authority members on a variety of local government governance related subjects. This training is ensuring that elected and appointed representatives are becoming more widely adept in the governance and decision making processes that impact on local government service delivery.

Initiatives undertaken and services provided by local governments to Aboriginal and Torres Strait Islander communities

As Aboriginal and Torres Strait Islanders comprise some 33 per cent of the Northern Territory population all councils deliver services in communities where Aboriginal and Torres Strait Islander people reside. Regional councils deliver the bulk of these services in over 60 towns which are made up largely of Aboriginal residents.

Councils provide a diverse range of services to Aboriginal communities with most revenue coming from government grants. The diversity of services offered by all councils is measured by the resources that councils are able to muster mostly from grant programmes and include initiatives that are not the norm for mainstream local government.

These services range from: school nutrition programmes; remote Indigenous broadcasting; safe houses and centres for women; Centrelink and Australia Post services; community stores; public housing services; night patrol services and sobering up shelters; money management; mechanical workshops; reconciliation action plan; veterinary services (animal management); childcare, crèche and out of school hours care; youth, sport and recreation activities; domestic violence education and community violence mediation; Remote Jobs and Communities programme; outstations/homelands maintenance; and essential services (power and water).

As identified in the previous section, governance related training of elected members and appointed Local Authority representatives by the Local Government Association of the Northern Territory has been increased since December 2014. The up-skilling of community residents who hold decision-making positions within councils is integral to the successful delivery of local government services to those communities.

Councils in Northern Territory leading digital transformation

City of Darwin radio frequency identification devices

The City of Darwin has installed radio frequency identification devices in Casuarina Library to enable borrowing and returning items to be easier, including reducing check out waiting times and allowing customers to check out up to 20 items at a time and manage their library account. Preparatory work was undertaken for the City of Darwin's digital strategy, due for completion in late 2015.

Litchfield Council personal digital assistants

Litchfield Council has introduced the use of hand-held personal digital assistants to identify required works and services, thus reducing the time that a service is unavailable for optimum use.

Constituents of the council are also encouraged to use an electronic form linked to the council's website to notify of any identified infrastructure requiring repair.

Report from the Australian Capital Territory Government

The Australian Capital Territory Government administers the Australian Capital Territory as a city-state jurisdiction. As a result, there is no differentiation in Australian Capital Territory Government service provision between state-like and local-like functions. This is demonstrated by the Australian Capital Territory Government's engagement with local government through membership of the Canberra Region Joint Organisation and the Council of Capital City Lord Mayors, as well as engagement with other jurisdictions through the Council of Australian Governments.

The Australian Capital Territory Government is increasingly focused on enhancing Canberra's role as the regional centre for south-east New South Wales and the relationships that exist across the Canberra region. The Australian Capital Territory Government works closely with the New South Wales Government and local government in the region to address matters of common interest. The Australian Capital Territory Government also seek to engage with major cities in Australia to share solutions and advocate on issues faced by Australia's cities.

Developments in the use of long-term financial and asset management plans by local government

The Australian Capital Territory Government infrastructure plan 2011-21

The *Australian Capital Territory Government infrastructure plan 2011-21*, outlines future strategic objectives of:

- implementing strategic asset management and service planning across government agencies
- exploring strategic opportunities across all agencies to support innovation and quality infrastructure design
- consulting on the need for a climate change vulnerability assessment framework for Australian Capital Territory Government infrastructure
- strengthening strategic infrastructure planning by developing closer links with Australian Capital Territory Government prioritisation processes
- engaging in continuous improvement of the planning and delivery of new infrastructure investment in the Australian Capital Territory.

The Australian Capital Territory Government publishes updates to the Infrastructure Plan to inform business and community of the current projects being undertaken through its capital works programme, while outlining works the Australian Capital Territory Government is considering for future budget processes.

The Capital Framework

During 2014-15, the Australian Capital Territory Government continued to plan, manage and review capital works projects under the Capital Framework. The Capital Framework seeks to improve business case development, service and asset planning, as well as project definition and scope.

As part of the Australian Capital Territory Government's commitment to improve the delivery of capital projects, a policy implementation review has been initiated to assess the success of the Capital Framework and any lessons learned since the framework's introduction in 2013. The outcomes of this review will be used to enhance and refine the Capital Framework.

The Partnership Framework

During 2014–15, the Australian Capital Territory Government implemented the Partnerships Framework, which establishes the policy for:

- delivery of major infrastructure projects under models including design, construct, maintain, operate and public private partnership
- evaluation of unsolicited proposals under a structured framework.

The Partnerships Framework facilitated the procurement of major infrastructure projects in the Australian Capital Territory including the Australian Capital Territory Courts redevelopment, the University of Canberra Public Hospital and the Capital Metro project.

Strategic asset management plans

The Australian Capital Territory Government also supports a Strategic Asset Management programme providing financial assistance for agencies to establish strategic asset management plans for their management of the Territory's assets. This programme seeks to foster better practice that increases the Territory's economic capacity, reduces future costs, and grows the city in a way that meets the changing needs of the Australian Capital Territory demographic and maintains current infrastructure.

In addition to the Strategic Asset Management programme, the Australian Capital Territory Government is progressing a pilot project that will review asset management practice, in a specified directorate, against the Australian National Audit Office's *Better practice guide on the strategic and operational management of assets by public sector entities*. The objective of the pilot project is to inform the Australian Capital Territory Government on ways it could improve operational efficiency and service delivery outcomes through the upgrade, divestment and acquisition of specific assets.

Actions to develop and implement comparative performance measures between local governing bodies

The Australian Capital Territory Government does not currently undertake comparative performance measures with other local governments. The Australian Capital Territory Government does undertake analysis on the *Report on Government Services* information; however, this reporting focuses on 'state-like' government services.

Reforms undertaken during 2014–15 to improve the efficiency and effectiveness of local government service delivery

Access Canberra

In December 2014, the Australian Capital Territory Government established Access Canberra, a new agency bringing together regulators within the Australian Capital Territory Government primary shopfront and contact centre agency. Access Canberra aims to improve the experience of businesses, community organisations and individuals in accessing government services.

Access Canberra has delivered greater efficiency for customers by joining up regulatory activities, reducing duplication, delivering better coordination of events approvals, and establishing a single point of contact – eliminating the need for businesses to negotiate multiple entry points to government. For example, an events approval team was set up to be

a single point of contact for organisers. The team coordinate and facilitate all event approvals (in some cases this can be up to 11 separate approvals), even if the approval is required by another government or directorate.

Initiatives undertaken and services provided by local governments to Aboriginal and Torres Strait Islander communities

The ACT Aboriginal and Torres Strait Islander Agreement 2015–18

The *ACT Aboriginal and Torres Strait Islander Agreement 2015–18* was signed on 23 April 2015 by the Chief Minister, the Chair of the Aboriginal and Torres Strait Islander Elected Body, the Minister for Aboriginal and Torres Strait Islander Affairs, and the Head of the Australian Capital Territory Public Service.

The agreement is the overarching document that will guide Aboriginal and Torres Strait Islander affairs in the Australian Capital Territory over the next three years. The agreement leads the way for the Australian Capital Territory Government to support Aboriginal and Torres Strait Islander community members to fully participate in and enjoy the social, economic and wellbeing benefits of living in the Australian Capital Territory.

The agreement aims to build strong families by focusing on seven key focus areas: cultural identity; healthy mind, healthy body; feeling safe; connecting the community; employment and economic independence; education; and leadership. An implementation plan for the agreement is being developed.

Local government reform activities in the areas of deregulation and legislative change by the Australian Capital Territory Government

Access Canberra is responsible for administering over 100 pieces of Territory legislation, and therefore plays a key role in how the regulatory burden is experienced by regulated entities. This experience has been improved through improvements to application processes; extending licence periods; implementing joint inspections between regulators; adopting a helpful and educative approach to engaging with regulated entities; and implementing a risk-based approach to compliance.

In January 2015, the Australian Capital Territory Government announced a review of the taxi industry to examine the use of new technologies for the local industry. The Australian Capital Territory Government conducted a review of events processes resulting in actions to streamline approvals that support the hosting and delivery of major and community events for the city.

The Australian Capital Territory Government 2014 Omnibus Bill removed provisions identified as redundant or as an unnecessary administrative cost to business or government. The 2014 Bill included changes to:

- implement a simplified approval mechanism for outdoor dining on public unleased land
- extend licence periods from two to three years for casino employees and race bookmaking, race bookmaker's agents and sports bookmaker's agents
- remove unnecessary signage and display requirements
- remove the need for duplicate statutory declarations when lodging deeds for Powers of Attorney registration.

Legislative change – justice reform strategy

The two-year Justice Reform Strategy commenced in mid-2014 with the first year focusing on the move away from periodic detention as a sentencing option in the Australian Capital Territory and the creation of a new community-based sentencing as an alternative to imprisonment. The work has been guided by an advisory group made up of representatives from key Australian Capital Territory Government agencies, academics, the legal profession and justice interest groups.

The *Crimes (Sentencing) Amendment Act 2014* (ACT) commenced on 5 December 2014 and amended the *Crimes (Sentencing) Act 2005* (ACT) by limiting the circumstances in which a court could impose a sentence of periodic detention. A Bill introducing a new community-based sentence was presented on 19 November 2015 to enhance the current sentencing framework. The Justice Reform Strategy is also considering broader sentencing issues and a series of workshops are underway looking at specific justice-related themes, such as drugs and alcohol and mental health.

Courts Legislation Amendment Act 2015

Commencing on 21 April 2015, the *Courts Legislation Amendment Act 2015* (ACT) made amendments to a number of Acts to simplify requirements and improve efficiencies in court and coronial processes. These efficiencies were aimed at reducing delays in court proceedings, faster resolution of civil and criminal matters, and therefore reducing costs for parties. The amendments also assist in preventing the development of backlogs and allow the courts to better manage their resources. Amendments included:

- making interlocutory orders binding on subsequent trial judges
- requiring pre-trial disclosure of expert evidence
- ensuring appeals from pre-hearing orders made by the Master of the Supreme Court are now heard before the Court of Appeal rather than a single judge, therefore preventing matters being re-litigated without sufficient cause
- allowing a coroner to establish a coronial investigation scene, issue coronial investigation orders to police, and authorise police officers to collect and preserve evidence in circumstances where powers under the *Crimes Act 1900* (ACT) are unavailable.

The Australian Capital Territory leading digital transformation

Digital Canberra

The *Digital Canberra Action Plan 2014–18* is the roadmap of how the Australian Capital Territory Government will accelerate business engagement with the digital economy and help businesses access new customers and markets; promote Canberra as a modern, dynamic, digital city; use technology to be a more open government and to give citizens greater choice in how and when they use services; and be more innovative in how we engage with the community and local small business.

Pay by phone application

A pay by phone application (Park Mobile) was introduced into the Australian Capital Territory with the roll out of the smart technology pay-and-display parking ticket machines in the last quarter of 2013–14. The uptake was two per cent initially and usage has steadily grown over

the 2014–15 financial year to nine per cent of total revenue collected. The introduction required legislative changes to allow for e-ticket parking or ticket-less parking for the road user thereby moving parking to the cashless and smart technology realm.

CBRfree public wi-fi

Canberra's CBRfree public wi-fi network was initiated in 2014–15 in a partnership between the Australian Capital Territory Government and iiNet. CBRfree is available in many of the town centres, community centres and shops. CBRfree provides internet access for low socio-economic groups and visitors to Canberra who otherwise might find access to the internet too expensive. Increasingly the Australian Capital Territory Government is adopting a digital first approach to transactions with citizens and CBRfree is contributing to its effectiveness.

Report from the Australian Local Government Association

The Australian Local Government Association highlighted in its Australian Government Budget submissions and in broader discussions around tax reform, a number of issues in relation to the fundamental components of the Financial Assistance Grant programme, namely their insufficient quantum and the failure of the indexation methodology to reflect the actual cost increases faced by councils.

Developments in the use of long-term financial and asset management plans by local government

Local government is confronting a significant asset management task. The local government infrastructure renewals backlog was estimated in a 2006 PriceWaterhouseCoopers report, commissioned by Australian Local Government Association, to be \$14.5 billion nationally, and this is a number that will have grown over the last eight years.

To address this infrastructure renewals backlog, Australian Local Government Association identified a two-pronged approach. This involved advocating a better funding model for the Financial Assistance Grant programme, complemented by the need for internal local government reforms to ensure local community infrastructure could be better managed over the lifecycle.

The Australian Government has shown its commitment to working with local government to achieve real and meaningful outcomes for local and regional communities. This includes the establishment of the two-year Regional and Local Community Infrastructure Programme; the open dialogue being conducted on constitutional reform to recognise the place of local government in the federation; and the establishment of a Local Government Reform Fund aimed at improving asset and financial management.

The Australian Local Government Association welcomes the government's confidence in local government and its ability to deliver infrastructure projects in order support to local communities. While this was most clearly seen through the provision of funding to deliver thousands of large and small shovel-ready projects to local and regional communities under the Regional and Local Community Infrastructure Programme, it continues through other programs today.

The Roads to Recovery Programme, which is funded to 2019, is highly valued by local and regional communities. They benefit directly from the increased utility provided by better local roads and improved road safety. It is a popular programme that has the support of all political parties, and that has enabled local government to produce value for money outcomes nationally.

The Roads to Recovery Programme provides \$350 million per year. It should be made permanent in legislation to provide funding certainty to local government which, given the ongoing nature of the road asset management task, is crucial and the funding should be indexed annually to reflect the relevant cost increases faced by local governments.

The Australian Local Government Association has undertaken an analysis of the state of local roads networks. That analysis confirms there is a considerable backlog of infrastructure spending. The research shows that in order to restore and maintain the current local road network it would require additional funding of approximately \$1.2 billion per annum.

The Australian Local Government Association is seeking additional Australian Government funding to bridge the gap. This additional funding could comprise a combination of increased Roads to Recovery Programme funding; funding of a new strategic regional roads programme; a dedicated programme of funding for bridge maintenance; and additional identified roads grants which are part of the Financial Assistance Grant programme funding. The Australian Local Government Association has supported a review of the distribution of the funding under the Financial Assistance Grant programme identified for roads so that the funding more accurately reflects needs, noting that any changes in formula should not result in any council being financially disadvantaged.

Given the importance of roads as local government's single largest asset, long-term security of infrastructure funding is essential for the development and implementation of long-term asset management plans.

Actions to develop and implement comparative performance measures between local governing bodies

At the national level, there are no overarching systems designed to produce comparative performance measures and analysis between councils; performance measures that exist are established by individual state and territory governments and apply on a jurisdictional basis and state based submissions are more likely to be able to address this issue.

As a general observation, the Australian Local Government Association appreciates that accurate, timely and consistent data is critical to enable credible comparative analysis of performance and outcomes. A number of Australian Government and parliamentary reports over recent years have highlighted that lack of consolidated, quality data on local government is a significant problem.

The need to resolve data issues for local government remains important from a national perspective. The Australian Local Government Association has outlined the case for Australian Government funding to assist in the measurement of improved local government service delivery in submissions to the Australian Government Budget. In particular, the Australian Local Government Association cites the Productivity Commission's finding in the *Assessing local government revenue raising capacity report (April 2008)* that: '[t]here is a need for the Australian Bureau of Statistics and various grants commissions to improve the consistency and accuracy of the local government data collections.'

Reforms undertaken during 2014-15 to improve the efficiency and effectiveness of local government service delivery

Local government's key objective is to serve its communities. Continued improvements in service delivery are also a primary objective of councils. A significant obstruction to improvements is the lack of financial security, combined with the increased overall financial pressures placed on local governments.

When the funding model for local government was devised in the early 1980s, local council's responsibilities were generally restricted to the three 'r's' (roads, rates and rubbish). However, since that time, the balance of local government resources directed towards social services continues to increase, as does the cost to provide those services.

Local government, in order to maintain service provision, often, as a result of withdrawals of state or Australian Government funds, has had to make difficult budgetary decisions. Local

councils continue to provide essential services such as homecare, libraries, low-cost childcare and elderly and disabled support in spite of current financial issues.

In April 2006, all Australian governments signed the Intergovernmental Agreement Establishing Principles Guiding Intergovernmental Relations on Local Government Matters.

The Intergovernmental Agreement outlines a set of principles designed to establish an ongoing framework to address future cost shifting, and prevent the cost shifts that have occurred in the past. This practice costs local councils up to \$1 billion each year.

The Intergovernmental Agreement expired in April 2011 and has not been re-negotiated since. Until the burden of cost shifting is lessened, the overall efficiency and effectiveness of local government service delivery will not reach its potential.

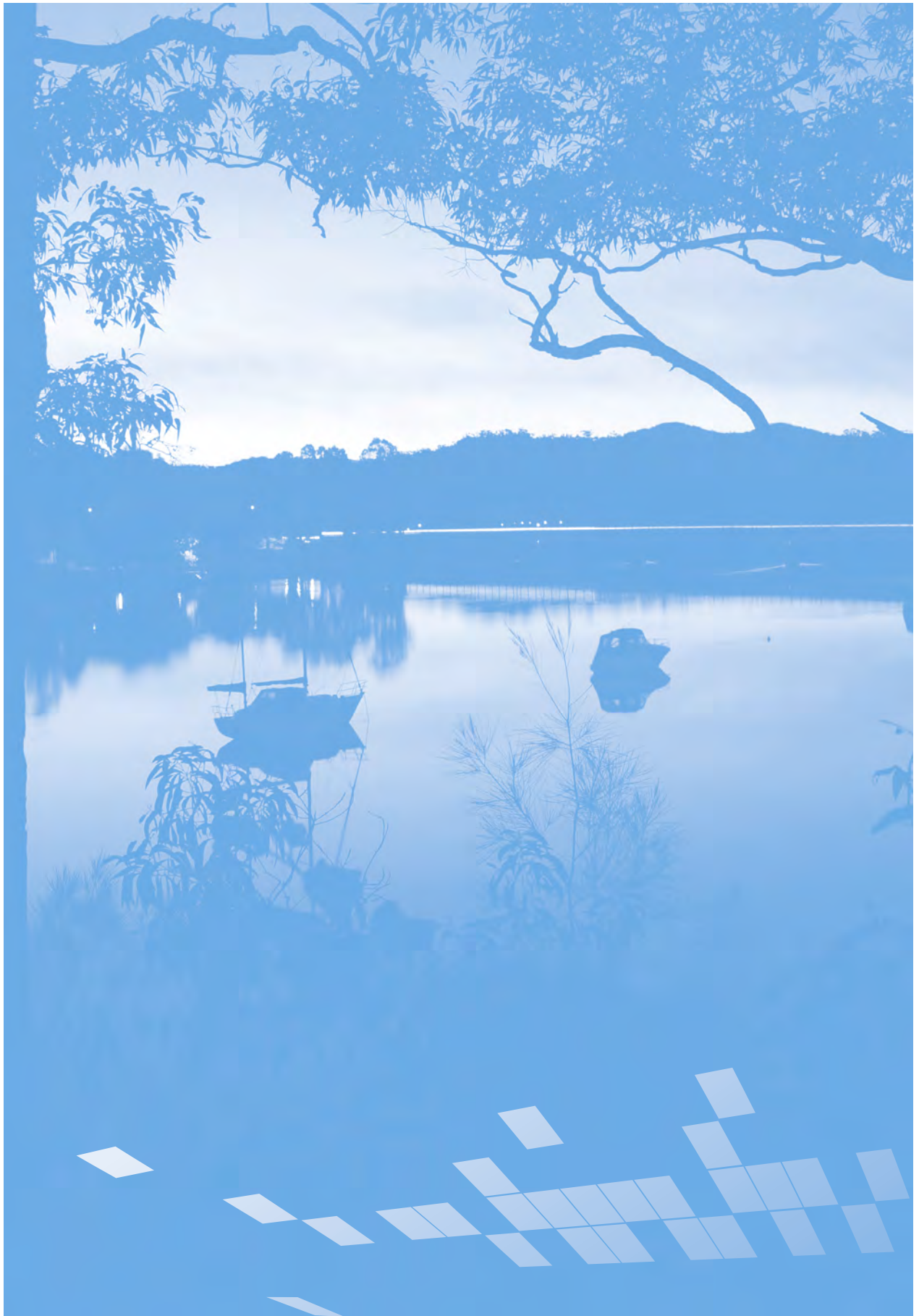
Initiatives undertaken and services provided by local governments to Aboriginal and Torres Strait Islander communities

The Australian Local Government Association supports the Closing the Gap initiatives and notes the important work of local councils in improving local government service delivery to Aboriginal and Torres Strait Islander communities.

Nevertheless, an audit by the Western Australian Government in 2008 provided a public estimate of \$540 million to address the backlog in housing maintenance in remote Indigenous communities. This estimate did not include the impact of factors like overcrowding and total supply of housing or the cost of municipal and essential services such as roads, electricity, water, drainage, sewerage and waste removal.

In its 2015–16 Australian Government Budget submission, the Australian Local Government Association called for \$2 billion in additional investment into municipal services as well as vital infrastructure and housing. The Australian Local Government Association also called for an examination of the decision made in 2014 to return primary control of municipal service delivery to the states.

This is a long-term issue which will require a continued focus, and local government, which has been active on this front, remains willing to partner with other levels of government to achieve improvements in the outcome for Indigenous communities.



C

Comparison of local government grants commission distribution models

Local government grants commissions (commissions) in each state and the Northern Territory use distribution models to determine the grant they will recommend be allocated to councils in their jurisdiction. They use one model for allocating the general purpose pool among councils and a separate model for allocating the local road pool. This appendix provides a comparison of the approaches the grants commissions used for determining 2014–15 allocations.

General purpose component

In allocating the general purpose pool between councils within a jurisdiction, commissions are required under the *Local Government (Financial Assistance) Act 1995* (Cth) (the Act) to comply with agreed National Principles (see Appendix A).

In practice, commissions determine an allocation that ensures all councils receive at least the minimum grant with the remaining allocated, as far as practicable, on a horizontal equalisation basis.

Usually, this results in commissions adopting a three-step procedure to determine the general purpose allocations.

- Step 1 Commissions determine an allocation of the general purpose pool between councils on a horizontal equalisation basis.
- Step 2 All councils receive at least the minimum grant. In most jurisdictions, in order for all councils to receive at least the minimum grant, allocations to some councils have to be increased relative to their horizontal equalisation grant.
- Step 3 If allocations to some councils are increased in step two, then allocations to other councils must decrease relative to their horizontal equalisation grant. This is achieved by a process called ‘factoring back’.

In Step 3, because allocations to some councils are decreased, the resultant grant may be less than the minimum grant. As a result, Steps 2 and 3 of this procedure may need to be repeated until all councils receive at least the minimum grant and the general purpose pool for the jurisdiction has been completely allocated. More details on the approaches grants commissions use for Steps 1 and 3 are provided in the following.

Allocating on a horizontal equalisation basis

An allocation on a horizontal equalisation basis is defined in section 6 of the Act. Horizontal equalisation:

... ensures that each local governing body in a state [or territory] is able to function, by reasonable effort, at a standard not lower than the average standard of other local governing bodies in the state [or territory]. [It] takes account of differences in the expenditure required to be incurred by local governing bodies in the performance of their functions and in their capacity to raise revenue.

The 'average standard' is a financial standard. It is based on the expenditure undertaken and revenue obtained by all councils in the jurisdiction.

Horizontal equalisation, as defined in the Act, is about identifying advantaged and disadvantaged councils and bringing all the disadvantaged councils up to the financial position of a council operating at the average standard. This means the task of the commissions is to calculate, for each disadvantaged council, the level of general purpose grants it requires to balance its assessed costs and assessed revenues.

When determining grant allocations on a horizontal equalisation basis, commissions use one of two distribution models:

- balanced budget – based on the approach of assessing the overall level of disadvantage for a council using a notional budget for the council
- direct assessment – based on the approach of assessing the level of disadvantage for a council in each area of expenditure and revenue.

Table C-1 shows the type of distribution model used by each commission.

Table C-1 Distribution models used for general purpose grants for 2014–15 allocations

State	Model used
NSW	Direct assessment model
Vic	Balanced budget model after assistance for natural disaster relief is removed
Qld	Balanced budget model
WA	Balanced budget model
SA	Direct assessment model (for local governing bodies outside the incorporated areas [the Outback Communities Authority and five Aboriginal Communities] allocations are made on a per capita basis)
Tas	Balanced budget model
NT	Balanced budget model

Source: Information provided by local government grants commissions in each state and territory.

The balanced budget model

Victoria, Queensland, Western Australia, Tasmania and the Northern Territory use the balanced budget approach. Their models are based on making an assessment of each council's costs of providing services and its capacity to raise revenue, including its capacity to obtain other grant assistance.

The balanced budget model can be summarised as:

general purpose	<i>equals</i>	assessed costs of providing services
	<i>plus</i>	assessed average operating surplus/deficit
	<i>less</i>	assessed revenue
	<i>less</i>	actual receipt of other grant assistance

The direct assessment model

New South Wales and South Australia use the direct assessment approach. Their models are based on making an assessment of the level of advantage or disadvantage in each area of expenditure and revenue and summing these assessments over all areas of expenditure and revenue for all councils.

In each area of expenditure or revenue, an individual council's assessment is compared to the average council. The direct assessment model calculates an individual council's level of disadvantage or advantage for each area of expenditure and revenue, including for other grant assistance. It can be summarised as:

general purpose	<i>equals</i>	an equal per capita share of the general purpose pool
	<i>plus</i>	expenditure needs
	<i>plus</i>	revenue needs
	<i>plus</i>	other grant assistance needs

The balanced budget and direct assessment models will produce identical assessments of financial capacity for each council, if the assessed average operating surplus or deficit is included in the balanced budget model.

Scope of equalisation

The scope of equalisation is about the sources of revenue raised and the types of expenditure activities that a commission includes when determining an allocation of the general purpose grant on a horizontal equalisation basis. Table C-2 shows the differences in the scope of equalisation of the commissions.

Table C-2 Scope of equalisation in commissions' models for general purpose grants

<i>Expenditure function</i>	<i>NSW</i>	<i>Vic.</i>	<i>Qld</i>	<i>WA</i>	<i>SA</i>	<i>Tas</i>	<i>NT</i>
Administration	Yes	Yes	Yes	Yes	No	Yes	Yes
Law, order and public safety	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Education, health and welfare	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Community amenities	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Recreation and culture	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Transport:							
– local roads	Yes	Yes	Yes	Yes	Yes	Yes	Yes
– airports	Yes	Yes	Yes	Yes	No	Yes	No
– public transport	No	No	Yes	No	No	N/A	No
– other transport	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Building control	Yes	Yes	Yes	No	Yes	Yes	No
Garbage	No	Yes	Yes	Yes	Yes	Yes	Yes
Water	No	No	No	No	No	No	No
Sewerage	No	No	No	No	No	No	No
Electricity	No	No	No	No	No	No	No
Capital	No	No	No	No	No	No	No
Depreciation	Yes	Yes	Yes	Yes	Yes	Yes	No
Debt servicing	No	Yes	No	No	No	Yes	No
Entrepreneurial activity	No	No	Yes	No	No	No	No
Agency arrangements	No	No	No	No	No	No	No
<i>Revenue function</i>							
Rate revenue	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Operation subsidies	No	No	No	No	Yes	Yes	Yes
Garbage charges	No	Yes	Yes	No	Yes	Yes	Yes
Water charges	No	No	No	No	No	No	No
Sewerage charges	No	No	No	No	No	No	No
Airport charges	No	No	Yes	No	No	Yes	No
Parking fees and fines	No	Yes	Yes	Yes	No	No	Yes
Other user charges	No	Yes	Yes	Yes	No	Yes	Yes

Note: Functions for which a 'Yes' is provided above are not necessarily separately assessed by the relevant commission but may be included as part of another assessed function. For example, depreciation might be included as a cost under the category for which the relevant asset is provided. Similarly, revenue functions might be included as reductions in the associated expenditure function. In addition, Queensland uses two expenditure categories that are not included in the above table. These are Environment and Business and Industry Development. Potentially, Business and Industry Development could fall under Entrepreneurial Activity.

Source: Information provided by local government grants commissions in each state and territory.

Revenue assessments

Sources of revenue for local government are rates, user charges and government grants. The treatment of revenue assessments is discussed in the section below.

New South Wales undertakes an assessment of a councils' relative capacity to raise revenue and uses allowances to attempt to compensate councils for their relative lack of revenue-raising capacity. Property values are used as the basis for assessing revenue-raising capacity as rates,

based on property values, are the principal source of council income. Property values also indicate relative economic strength of local areas.

Victoria calculates a council's rate revenue raising capacity separately for each of the three major property classes (residential, commercial/industrial/other and farm) using a three-year average of valuation data. A council's standardised revenue is intended to reflect its capacity to raise revenue from its community.

Relative capacity to raise rate revenue, or standardised rate revenue, is calculated for each council by multiplying its valuation base (on a capital improved value basis) by the average rate across all Victorian councils. The payments in lieu of rates received by some councils for major facilities such as power stations and airports have been added to their standardised revenue to ensure that all councils are treated on an equitable basis.

Victoria constrains increases in each council's assessed revenue capacity to improve stability in grant outcomes. The constraint for each council has been set at the state-wide average increase in standardised revenue adjusted by the council's own rate of population growth to reflect growth in the property base. A council's relative capacity to raise revenue from user fees and charges, or 'standardised fees and charges revenue', also forms part of the calculation of standardised revenue.

For each council, for each of the nine functional areas, the relevant driver (such as population) is multiplied by the adjusted state median revenue from user fees and charges (adjusted to remove the skewing effect of large outliers in the data). For some functions, this is then modified by a series of 'revenue adjustors' to take account of differences between municipalities in their capacity to generate fees and charges, due to their characteristics.

Queensland uses the revenue categories of: rates; garbage charges; fees and charges; and other grants and subsidies. Queensland's rating assessment is the total Queensland rate revenue divided by the total land valuation for Queensland. This derives a cent in the dollar average, which is then multiplied by the land valuation of each council.

In **Western Australia**, calculation of assessed revenue capacity is based on a standardised mathematical formula updated annually and involves assessing the revenue-raising capacity of each local government in the categories of: residential, commercial and industrial rates; agricultural rates; pastoral rates; mining rates; and investment earnings.

South Australia estimates the revenue raising capacity of each council for each of five land use categories: residential, commercial, industrial, rural, and other. To make these estimates, the state average rate in the dollar is used – that is, the ratio of total rate revenue to total improved capital values of rateable properties. This result shows how much rate revenue a council is able to raise relative to the average.

To overcome fluctuations in the base data, valuations, rate revenue and population are averaged over three years.

Tasmania assesses a council's standardised revenue by applying a standard rate in the dollar to the assessed annual value of all rateable property in its area plus the council's per capita grant allocation; and certain other financial support payments.

In **Northern Territory** the methodology calculates standards by applying cost adjustors and average weightings to assess the revenue raising capacity and expenditure need of each council. The assessment is the Northern Territory Grants Commission's measure of the ability of each council to function at the average standard in accordance with the National Principles.

As the ownership of the land on which many communities are located is vested in land trusts established pursuant to the *Aboriginal Lands Rights (Northern Territory) Act 1976* (Cth), it is not, for all intents and purposes, feasible to use a land valuation system solely as the means for assessing revenue raising capacity.

The collection of actual accurate financial data through the Northern Territory Grants Commission's annual returns enabled a number of revenue categories to be introduced, including municipal and regional council rates, domestic waste and interest.

Other grants support National Principle

The fourth National Principle for the general purpose grant involves the revenue assessment and states:

Other relevant grant support provided to local governing bodies to meet any of the expenditure needs assessed should be taken into account using an inclusion approach. (National Principle A4)

This National Principle requires commissions, when determining the allocations on a horizontal equalisation basis, to include all grants that are provided to councils from governments as part of the revenue that is available to councils to finance their expenditure needs. Only those grants that are available to councils to finance the expenditure of a function that is assessed by commissions should be included. Both the grants received and the expenditure it funds should be included in the allocation process.

Table C-3 provides details on the grants included by commissions in allocating the general purpose component in 2014–15.

Table C-3 Grants treated by inclusion for 2014–15 by jurisdiction

State	Grants treated by inclusion in general purpose allocations
NSW	Local road grant and library grant. For other recurrent grant support the grant is deducted from the council's expenditure before standard costs are calculated.
Vic	All Australian and state government recurrent grants including each council's local road grant and Roads to Recovery Programme grant.
Qld	Allocation of minimum grant component of previous year's general purpose grant, 50 per cent of previous years local road grant, 20 per cent of the state Aboriginal and Torres Strait Islander councils State Government Financial Aid grant.
WA	93 per cent of the local road grant, 63 per cent of the Roads to Recovery Programme grant.
SA	85 per cent of the local road grant, library grants, and the Roxby Downs unique extraordinary grant.
Tas	Local road grant, Roads to Recovery Programme grant, State motor taxes collected on the registration of heavy vehicles, and distributions received from council owned water and sewerage entities.
NT	Local road grant, library grant, and 50 per cent of the Roads to Recovery Programme grant.

Source: Based on information provided by local government grants commissions.

Expenditure assessments

In addition to expenditure on local roads, the main expenditures of councils are on general public services, including the organisation and financial administration of councils; recreation facilities; and sanitation and protection of the environment, including disposal of sewerage, stormwater drainage and garbage. Assessing local road expenditure needs for the general purpose grant is discussed in the section below.

New South Wales assesses 21 expenditure categories, including three classes of road maintenance and continues to use the direct assessment method. The New South Wales assessment includes an additional allowance for councils outside of the Sydney statistical division to recognise isolation.

Disability factors are also considered among the expenditure categories. A disability factor is the estimate of the additional cost of providing a standard service, due to inherent characteristics beyond the control of a council.

Victoria continues to use the balanced budget method and assesses nine expenditure categories.

For each function, with the exception of Local Roads and Bridges, gross standardised expenditure is obtained by multiplying the relevant major cost driver by the average Victorian council expenditure on that function, per unit of need; and a composite cost adjustor which takes account of factors that make service provision cost more or less for individual councils than the State average.

Queensland assesses against nine categories of expenditure and uses the balanced budget method. Queensland considers which of the suite of cost adjustors (location, demography–Indigenous, demography–age, demography–Indigenous/age or scale) are applied to which service categories.

Western Australia uses the balanced budget method and applies a range of disabilities to six expenditure standards. Assessed expenditure need for Western Australia is based on a standardised mathematical formula updated annually and involves the assessment of each local government’s operating expenditures in the provision of core services and facilities under the ‘standard’ categories.

South Australia uses the direct assessment model and uses 12 expenditure categories in addition to the local road categories. South Australia continues to exclude the libraries expenditure category due to consistency issues with data.

Tasmania assesses seven expenditure categories, as well as assessing local road needs, using the balanced budget model. A range of cost adjustors are applied that take into account factors that influence the cost of service provision for individual councils.

The **Northern Territory** uses the balanced budget approach and assesses ten expenditure categories, as well as one for local roads. Three cost adjustors are used to reflect a local government’s cost of service delivery and include location, dispersion and Aboriginality.

Assessing local road expenditure needs under the general purpose grants

As part of the expenditure needs assessment for determining the general purpose allocation, commissions also assess each council’s local road needs. The main features of the models commissions use for assessing local road needs for determining the general purpose allocations in 2014–15 are discussed below.

The **New South Wales** method of allocating the local road component is based on a simple formula developed by the New South Wales roads authority. The formula uses councils’ proportion of the state’s population, local road length and bridge length.

The **Victorian** formula for allocating local roads grants is based on the road length of each council (for all surface types) and traffic volumes, using average annual preservation costs for

given traffic volume ranges. The method includes five cost modifiers for freight loading, climate, materials, sub-grade conditions, and strategic routes and takes account of the deck area of bridges on local roads.

Queensland uses an asset preservation model to assess road expenditure, estimating the cost to maintain a road network, including bridges and hydraulics. Allowances are given for heavy vehicles, which increase the road usage, increasing road expenditure for councils. Cost adjustors applied to expenditure categories include: location, scale and demography.

Western Australia calculates the local road component using the Asset Preservation Model, which has been in place since 1992. This model assesses the average annual costs of maintaining each local government's road network and aims to equalise road standards through the application of minimum standards.

South Australia divides local road funding in the metropolitan area and non-metropolitan areas differently. In metropolitan areas, allocations to individual councils are determined by an equal weighting of road length and population. In the non-metropolitan area, allocations are made on an equal weighting of road length, population and the area of each council.

Tasmania uses a Roads Preservation Model to determine the relative road expenditure needs for each council. The Roads Preservation Model reflects the mix of road and bridge assets maintained by councils and estimates the cost of asset preservation for both roads and bridges.

Northern Territory determines the local road grant by applying a weighting to each council for road length, surface type and relative isolation. The weightings for each road type are: 27 for sealed; 12 for gravel; 10 for cycle path; seven for formed and one for unformed. The general purpose location factor is also applied to recognise relative isolation.

Needs of Indigenous communities

The fifth National Principle for distribution of the general purpose grants states:

Financial assistance shall be allocated to councils in a way which recognises the needs of Aboriginal peoples and Torres Strait Islanders within their boundaries.
(National Principle A5)

While the special needs of Indigenous Australians are recognised when assessing the expenditure of councils on services in all jurisdictions, it remains the decision of each council as to how the grant will be spent and what services will be provided for its Indigenous residents. A summary of this recognition is provided below.

In **New South Wales**, all 152 councils are required to prepare plans under the integrated planning and reporting framework to respond flexibly to local need. The integrated planning and reporting guidelines include the requirement for a community strategic plan to be developed in consultation with groups within the local community and based on principles of social justice. These requirements include consideration of the needs of Aboriginal and Torres Strait Islander people within each local community.

Victoria includes a cost adjustor that reflects the Indigenous population when calculating the 2014-15 general purpose component.

Queensland applies a cost adjustor for location that recognises that rural, remote and Indigenous communities generally have higher costs associated with service delivery, and population for both Indigenous and non-Indigenous councils for Indigenous descent whereby the assessed expenditure per capita is increased in accordance with the proportion of Indigenous population and, additionally, for Indigenous people aged over 50.

Western Australia applies Indigenous as a disability for governance expenditure standard in its calculation of general purpose grants and considers Indigenous population data from the Australian Bureau of Statistics when calculating the disabilities applied to the expenditure standard.

In **South Australia**, grants are allocated to the five Aboriginal communities recognised as local governing authorities. Due to the unavailability of data, grants for these communities are not calculated in the same manner as grants to other local governing bodies. Initially, South Australian used a consultancy service, which completed a study on the expenditure needs of the communities and their revenue raising capacities. Comparisons were made with communities in other states and per capita grants were established. Grants have gradually been increased in line with the increase in the general purpose pool of funding for South Australia since the initial study.

Tasmania makes no special allowance for Indigenous people.

The **Northern Territory** applies a cost adjustor based on the proportion of the population that is Indigenous to its expenditure assessments for certain expenditure categories. The majority of shire service delivery in the Northern Territory is to remote communities whose population is almost entirely Indigenous Australian.

Council amalgamation National Principle

A sixth National Principle for the general purpose grant applies to councils that amalgamate. The amalgamation principle took effect on 1 July 2006 and states:

Where two or more local governing bodies are amalgamated into a single body, the general purpose grant provided to the new body for each of the four years following amalgamation should be the total of the amounts that would have been provided to the former bodies in each of those years if they had remained separate entities. (National Principle A6)

In addition to complying with the other National Principles for the general purpose grant, grants commissions are required to treat the general purpose grant allocated to councils formed as the result of amalgamation in a way that is consistent with this National Principle.

During 2014–15, the number of local governing bodies in Northern Territory increased with Victoria Daly Regional Council de-amalgamating into two councils; these being the Victoria Daly Regional Council and the West Daly Regional Council.

Factoring back and satisfying the minimum grant principle

Once the revenue capacity and expenditure needs have been determined for each council, the raw grant can be calculated by subtracting its revenue capacity from expenditure needs.

There are two situations that require commissions to apply a 'factoring back' process. The first situation is when the total raw grant does not equal the available grant for the jurisdiction. This can occur when the commission has not:

- assessed all revenue and expenditure categories for councils in the jurisdiction
 - ensured that the total assessed revenue and expenditure across all councils in the jurisdiction equals the total actual revenue and expenditure for all councils in the jurisdiction
- or
- used a budget result term for each council when applying the balanced budget approach.

The use of a consistent approach for allocating grants would address this issue.

The second situation occurs when the raw grant allocation for a council does not comply with the minimum grant National Principle. This Principle requires:

The minimum general purpose grant allocation for a local governing body in a year will be not less than the amount to which the local governing body would be entitled if 30 per cent of the total amount of general purpose grants to which the state or territory is entitled under section 9 of the Act in respect of the year were allocated among local governing bodies in the state or territory on a per capita basis. (National Principle A3)

Grants to councils with raw grant allocations below the minimum grant (including negative grants) are increased to comply with the minimum grant National Principle. This requires grants to other councils in the jurisdiction to be reduced through a factoring back process.

Should the grant to one or more councils following the initial factoring back process reduce their grant below the minimum grant, the factoring back process would be repeated. This process would have to be repeated until both the minimum grant and available grant constraints are simultaneously met.

Two approaches are used by commissions for factoring back the raw grant:

- proportional method – each raw grant for a council is reduced by the same proportion so that the total of the grants equals the available grant
- equalisation ratio method – each grant for a council is reduced such that all councils can afford to fund the same proportion of their expenditure needs with their total income (assessed revenue capacity plus other grant support and general purpose grant).

Local road component

The National Principles require the local road grant to be allocated so that, as far as practicable, the grant is allocated to councils:

... on the basis of the relative needs of each council for roads expenditure and to preserve its road assets. In assessing road needs, relevant considerations include length, type and usage of roads in each council area. (National Principle B1)

For the local road needs assessment, the models are either relatively simple constructs or more complex asset preservation models.

New South Wales, South Australia and the Northern Territory use relatively simple models to allocate the local road grant. New South Wales and South Australia firstly classify local roads as either metropolitan or non-metropolitan, and then allocate funding based mainly on the factors of population and road length. The Northern Territory allocates funding based on road length and road surface type.

Queensland, Victoria, Western Australia, and Tasmania use asset preservation models to allocate the local road grant. The asset preservation model attempts to measure the annual cost of maintaining a road network. It takes into account recurrent maintenance costs, and the cost of reconstruction at the end of the road's useful life. It can also take other factors into account such as the:

- costs associated with different types of roads (sealed, gravel and formed roads)
- impact of weather, soil types and materials availability on-costs
- impact of traffic volume on the cost of maintaining these roads.

Prior to applying their grant allocation methodologies, Western Australia and South Australia quarantine seven per cent and 15 per cent respectively for funding priority local road projects. Expert committees advise on the projects to be funded.

Table C-4 summarises the main features of the models used by the commissions for allocating local road grants in 2014–15.

Table C-4 Allocating local road grants in 2014–15

State	Features of the distribution model for allocating local road grants
NSW	Based on a model developed by the New South Wales Roads and Maritime Services (former Roads and Traffic Authority). Councils in the Sydney, Newcastle and Wollongong metropolitan areas receive 27.54 per cent of the grant pool with 38 per cent of this portion allocated on the basis of population, 57 per cent on the basis of road length and five per cent on the basis of bridge length. The remaining 72.46 per cent is allocated to councils outside the above metropolitan areas, with 19 per cent of the remaining portion allocated on the basis of population, 74 per cent on the basis of road length and seven per cent on the basis of bridge length.
Vic	Allocation is based on an asset preservation model.
Qld	Allocation is based on an asset preservation model that assesses road expenditure and estimates the cost to maintain a road network, including bridges and hydraulics.
WA	Allocation of 93 per cent of the road grant pool is based on an asset preservation model. The remaining seven per cent is set aside for special projects – with two-thirds of this portion for bridges and one-third for access roads serving remote Indigenous communities.
SA	Allocation of 85 per cent of the road grant pool is split between metropolitan and non-metropolitan councils based on population and road length. Allocations for metropolitan councils are based on an equal weighting of population and road length while allocations for non-metropolitan councils are based on an equal weighting of population, road length and council area. The remaining 15 per cent of the pool is set aside for special projects.
Tas	Allocation of the road grant is based on an asset preservation model which uses the estimated cost of preservation of both roads and bridges per annum.
NT	Allocation is based on weights applied to road length and surface type.

Source: Information provided by local government grants commissions.



D

Distribution to local governing bodies in 2014–15



Table D-1 shows the distribution of funding under the Financial Assistance Grant programme and some basic information such as population, area in square kilometres and road length in kilometres for each local governing body in Australia.

For the Financial Assistance Grant programme, the table shows the actual total grant entitlement for 2014–15 and the estimated total grant entitlement for 2015–16. For each of these years, the components of the Financial Assistance Grant programme, including the general purpose grant and the local road grant, are also given.

The councils are listed alphabetically by state and the Northern Territory. The Australian Classification of Local Governments (ACLG) category for each council is listed in the second column. An explanation of the ACLG is at Appendix F.

To facilitate comparison, the general purpose grant per capita and the local road grant per kilometre are provided for 2014–15. Additional comparative information on grants received is provided in Chapter 2 as follows. Table 2-7 provides the average general purpose grant per capita for councils, grouped by state and by ACLG. Table 2-8 provides the average local road grant per kilometre for councils, grouped by state and by ACLG.

Councils receiving the minimum per capita grant in 2014–15 are indicated with a hash (#) beside their entry in the 'General purpose grant per capita' column. The per capita grant of these councils differs slightly between jurisdictions because of different data sources for population used by the Australian Government to calculate the state share of general purpose grants and those used by the local government grants commissions for allocations to individual councils. For further information on the minimum grant entitlement, see Chapter 2.

Indigenous local governing bodies are identified by an asterisk (*) against the name of the council.

The source of the data is the relevant state or territory local government grants commission.

Table D-1 Distribution to councils for 2014-15 and 2015-16

Council name	Classification	Population ^a No.	Council area sq km	Road length km	2014-15 actual entitlement			2015-16 estimated entitlement				
					General purpose \$	Local road \$	Total \$	General purpose \$	Local road \$	Total \$		
New South Wales												
Albury	URM	50 243	306	506	4 941 131	1 262 568	6 203 699	98.34	2495.19	4 834 458	1 272 184	6 106 642
Armada Dumaresq	URS	25 343	4231	1020	2 661 991	1 395 094	4 057 085	105.04	1367.74	2 615 454	1 392 708	4 008 162
Ashfield	UDM	44 175	8	91	936 188	295 828	1 232 016	21.19	3250.86	901 032	293 566	1 194 598
Auburn	UDL	83 367	32	199	2 897 554	597 477	3 495 031	34.76	3002.40	2 752 676	598 480	3 351 156
Ballina	URM	41 335	485	605	2 441 142	1 259 423	3 700 565	59.06	2081.69	2 568 922	1 259 286	3 828 208
Bairnsald	RAM	2371	21 693	1328	2 066 895	1 229 231	3 296 126	871.74	925.63	2 233 124	1 229 211	3 462 335
Bankstown	UDV	196 974	77	541	5 401 043	1 510 517	6 911 560	27.42	2792.08	5 130 991	1 509 322	6 640 313
Bathurst Regional	URM	41 051	3816	1195	4 426 405	1 857 392	6 283 797	107.83	1554.30	4 329 786	1 862 733	6 192 519
Bega Valley	URM	33 313	6279	1171	4 916 632	1 823 240	6 739 872	147.59	1556.99	4 852 948	1 821 257	6 674 205
Bellingen	RAV	12 854	1600	532	2 493 826	851 509	3 345 335	194.01	1600.58	2 487 103	851 785	3 338 888
Berrigan	RAL	8365	2066	1261	3 026 149	1 276 323	4 302 472	361.76	1012.15	3 018 620	1 276 662	4 295 282
Blacktown	UDV	325 185	240	1223	15 528 674	3 054 394	18 583 068	47.75	2497.46	14 752 240	3 075 813	17 828 053
Bland	RAL	6010	8558	2925	3 837 107	2 745 244	6 582 351	638.45	938.54	4 058 797	2 743 785	6 802 582
Blayney	RAL	7330	1525	681	1 609 712	787 135	2 396 847	219.61	1155.85	1 617 154	786 981	2 404 135
Blue Mountains	UFL	79 225	1431	719	6 867 886	1 327 044	8 194 930	86.69	1845.68	6 807 575	1 319 214	8 126 789
Bogan	RAM	3037	14 600	1352	2 012 486	1 315 922	3 328 408	662.66	973.32	2 144 818	1 315 745	3 460 563
Bombala	RAM	2401	3947	629	1 161 050	668 712	1 829 762	483.57	1063.14	1 180 210	668 380	1 848 590
Boorowa	RAM	2558	2578	608	924 966	608 739	1 533 705	361.60	1001.22	951 368	608 911	1 560 279
Botany Bay	UDM	43 292	22	90	890 812	287 993	1 178 805	20.58	3199.92	905 972	290 063	1 196 035
Bourke	RAM	2996	41 604	1883	2 983 826	1 772 744	4 756 570	995.94	941.45	3 257 015	1 771 651	5 028 666
Brewarrina	RAS	1940	19 165	1272	1 949 927	1 214 307	3 164 234	1005.12	954.64	2 138 491	1 213 607	3 352 098
Broken Hill	URS	19 048	170	211	4 036 428	483 780	4 520 208	211.91	2292.80	3 884 491	481 299	4 365 790
Burwood	UDM	35 298	7	82	726 321	248 294	974 615	20.58	3027.98	730 031	248 292	978 323
Byron	URM	31 612	566	551	1 457 723	1 141 354	2 599 077	46.11	2071.42	1 611 415	1 161 282	2 772 697
Cabonne	RAV	13 695	6024	1832	2 489 292	1 974 022	4 463 314	181.77	1077.52	2 486 573	1 972 802	4 459 375
Camden	UFM	63 248	201	463	2 073 327	1 017 931	3 091 258	32.78	2198.56	2 121 789	1 048 117	3 169 906
Campbelltown	UFV	154 538	312	657	8 599 983	1 621 677	10 221 660	55.65	2468.31	8 311 948	1 616 785	9 928 733
Canada Bay	UDL	84 906	20	189	1 747 095	593 896	2 340 991	20.58	3142.31	1 771 365	596 667	2 368 032

Distribution to councils for 2014–15 and 2015–16 (continued)

Council name	Classi- fication	Population ^a No.	Council area sq km	Road length km	2014–15 actual entitlement			2015–16 estimated entitlement				
					General purpose \$	Local road \$	Total \$	General purpose \$ per capita	Local road \$ per km	Local road \$	General purpose \$	Local road \$
Canterbury	UDV	148 853	34	313	4 266 558	1 011 015	5 277 573	28.86	3230.08	4 053 230	1 005 824	5 059 054
Carrathool	RAM	2792	18 932	2300	2 763 922	2 142 424	4 906 346	989.94	931.49	3 001 771	2 141 708	5 143 479
Central Darling	RTM	2070	53 494	1602	2 948 095	1 480 894	4 428 989	1424.20	924.40	3 193 569	1 480 324	4 673 893
Cessnock	URM	54 313	1965	904	5 390 767	1 601 722	6 992 489	99.25	1771.82	5 293 003	1 594 000	6 887 003
Clarence Valley	URM	51 043	10 429	2055	7 141 720	3 064 949	10 206 669	139.92	1491.46	7 080 228	3 056 823	10 137 051
Cobar	RTL	5024	45 571	1693	3 242 636	1 605 986	4 848 622	645.43	948.60	3 448 851	1 606 427	5 055 278
Coffs Harbour	URL	71 798	1174	764	4 988 318	1 965 747	6 954 065	69.48	2572.97	4 890 076	1 965 764	6 855 840
Conargo	RAS	1543	8738	1229	1 483 092	1 149 332	2 632 424	961.17	935.18	1 527 473	1 163 121	2 690 594
Coolamon	RAM	4276	2431	1275	1 964 541	1 212 589	3 177 130	459.43	951.05	2 032 172	1 212 369	3 244 541
Cooma-Monaro	RAV	10 073	5184	934	2 520 751	1 058 610	3 579 361	250.25	1133.42	2 529 119	1 059 111	3 588 230
Coonamble	RAM	4279	9916	1393	2 137 116	1 375 963	3 513 079	499.44	987.77	2 202 143	1 375 212	3 577 355
Cootamundra	RAL	7625	1524	571	2 008 149	687 940	2 696 089	263.36	1204.80	1 998 983	688 538	2 687 521
Corowa	RAV	11 410	2329	1284	3 123 382	1 363 326	4 486 708	273.74	1061.78	3 145 119	1 364 043	4 509 162
Cowra	RAV	12 551	2809	1203	2 876 253	1 355 104	4 231 357	229.17	1126.44	2 862 822	1 353 372	4 216 194
Deniliquin	URS	7376	143	152	2 058 369	259 728	2 318 097	279.06	1708.74	2 016 238	259 643	2 275 881
Dubbo	URM	40 975	3426	1171	5 035 146	1 728 874	6 764 020	122.88	1476.41	4 834 889	1 729 640	6 564 529
Dungog	RAL	8884	2250	598	1 423 115	846 423	2 269 538	160.19	1415.42	1 431 407	847 912	2 279 319
Eurobodalla	URM	37 234	3428	958	4 981 265	1 563 330	6 544 595	133.78	1631.87	4 938 495	1 546 068	6 484 563
Fairfield	UDV	201 427	102	608	8 717 743	1 649 449	10 367 192	43.28	2712.91	8 281 856	1 640 633	9 922 489
Forbes	RAL	9664	4718	1744	3 013 108	1 798 649	4 811 757	311.79	1031.34	3 037 101	1 798 311	4 835 412
Gilgandra	RAM	4488	4832	1293	1 919 158	1 299 217	3 218 375	427.62	1004.81	2 051 548	1 297 874	3 349 422
Glen Innes Severn	RAL	8905	5480	1085	2 331 796	1 279 792	3 611 588	261.85	1179.53	2 361 871	1 278 771	3 640 642
Gloucester	RAM	4974	2950	649	1 356 525	852 213	2 208 738	272.72	1313.12	1 390 584	852 475	2 243 059
Gosford	UFV	170 752	941	966	8 197 977	2 079 103	10 277 080	48.01	2152.28	8 380 605	2 071 071	10 451 676
Goulburn Mulwaree	URS	29 230	3220	1148	3 229 744	1 604 318	4 834 062	110.49	1397.49	3 156 167	1 581 914	4 738 081
Great Lakes	URM	36 312	3373	962	5 136 019	1 586 161	6 722 180	141.44	1648.82	5 045 017	1 578 794	6 623 811
Greater Hume	RAV	10 176	5749	1775	2 942 425	1 897 820	4 840 245	289.15	1069.19	2 899 001	1 902 336	4 801 337
Greater Taree	URM	48 846	3729	1611	4 916 228	2 499 907	7 416 135	100.65	1551.77	4 918 095	2 530 400	7 448 495
Griffith	URS	25 425	1640	1244	3 305 854	1 510 312	4 816 166	130.02	1214.08	3 341 585	1 512 731	4 854 316
Gundagai	RAM	3747	2457	694	1 218 663	771 220	1 989 883	325.24	1111.27	1 232 078	770 418	2 002 496

Distribution to councils for 2014-15 and 2015-16 (continued)

Council name	Classi- fication	Population ^a No.	Council area sq km	Road length km	2014-15 actual entitlement			2015-16 estimated entitlement				
					General purpose \$	Local road \$	Total \$	General purpose \$	Local road \$	Total \$		
Gunnedah	RAV	12 688	4987	1366	2 588 135	1 490 881	4 079 016	203.98	1091.42	2 606 350	1 490 903	4 097 253
Guyra	RAM	4645	4390	842	1 159 201	884 866	2 044 067	249.56	1050.91	1 178 495	884 445	2 062 940
Gwydir	RAL	5104	9262	1898	2 186 482	1 870 202	4 056 684	428.39	985.35	2 344 153	1 868 614	4 212 767
Harden	RAM	3762	1868	768	1 378 925	797 398	2 176 323	366.54	1038.28	1 376 014	792 347	2 168 361
Hawkesbury	UFM	65 114	2775	896	2 707 226	1 637 283	4 344 509	41.58	1827.32	2 571 850	1 633 063	4 204 913
Hay	RAM	2962	11 326	777	1 862 019	750 789	2 612 808	628.64	966.27	1 895 350	750 697	2 646 047
Hills	UFV	183 563	400	855	3 777 141	1 920 211	5 697 352	20.58	2245.86	3 800 760	1 924 681	5 725 441
Holroyd	UDL	108 889	40	321	3 331 782	895 696	4 227 478	30.60	2790.33	3 320 558	896 805	4 217 363
Hornsby	UFV	166 855	462	624	3 433 344	1 500 281	4 933 625	20.58	2404.30	3 414 230	1 497 120	4 911 350
Hunters Hill	UDS	14 491	6	61	298 180	142 718	440 898	20.58	2339.64	297 435	142 040	439 475
Hurstville	UDL	84 859	23	213	1 746 129	614 547	2 360 676	20.58	2885.20	1 739 089	611 534	2 350 623
Inverell	RAV	16 727	8595	1745	3 428 183	1 918 694	5 346 877	204.95	1099.54	3 461 817	1 918 253	5 380 070
Jerilderie	RAS	1504	3373	999	1 287 810	946 094	2 233 904	856.26	947.04	1 342 500	945 909	2 288 409
Junee	RAL	6227	2030	825	1 767 787	863 943	2 631 730	283.89	1046.28	1 759 086	863 997	2 623 083
Kempsey	URS	29 361	3376	1060	3 872 251	1 723 958	5 596 209	131.88	1626.38	3 830 515	1 722 585	5 553 100
Kiama	URS	21 047	258	220	966 010	447 658	1 413 668	45.90	2034.81	972 272	446 036	1 418 308
Kogarah	UDM	60 411	16	153	1 243 067	439 363	1 682 430	20.58	2871.65	1 235 785	436 788	1 672 573
Ku-ring-gai	UDL	119 027	85	444	2 449 196	1 077 985	3 527 181	20.58	2427.89	2 449 659	1 074 321	3 523 980
Kyogle	RAL	9538	3584	1084	2 330 044	1 547 832	3 877 876	244.29	1427.89	2 356 293	1 538 878	3 895 171
Lachlan	RAL	6748	14 965	3339	4 628 093	3 147 455	7 775 548	685.85	942.63	4 925 674	3 146 429	8 072 103
Lake Macquarie	URV	200 796	648	1262	13 228 979	2 639 295	15 868 274	65.88	2091.36	12 932 448	2 624 956	15 557 404
Lane Cove	UDM	33 996	10	93	699 530	256 687	956 217	20.58	2760.08	704 801	256 919	961 720
Leeton	RAV	11 539	1167	901	2 855 660	988 879	3 844 539	247.48	1097.53	2 851 984	972 838	3 824 822
Leichhardt	UDM	57 266	10	140	1 178 352	415 248	1 593 600	20.58	2966.06	1 177 185	413 817	1 591 002
Lismore	URM	44 637	1288	1083	4 353 265	1 860 798	6 214 063	97.53	1718.19	4 212 254	1 827 402	6 039 656
Lithgow	URS	21 118	4512	879	3 421 808	1 178 131	4 599 939	162.03	1340.31	3 399 824	1 177 038	4 576 862
Liverpool	UFV	195 355	305	803	7 340 097	2 013 518	9 353 615	37.57	2507.49	7 061 143	2 027 545	9 088 688
Liverpool Plains	RAL	7763	5082	1195	2 000 457	1 279 351	3 279 808	257.69	1070.59	2 053 516	1 278 714	3 332 230
Lockhart	RAM	3021	2896	1488	2 016 653	1 489 558	3 506 211	667.54	1001.05	2 081 510	1 489 464	3 570 974
Lord Howe Island	RTX	393	16	-	190 848	-	190 848	485.62	-	194 040	-	194 040

Distribution to councils for 2014–15 and 2015–16 (continued)

Council name	Classi- fication	Population ^a No.	Council area sq km	Road length km	2014–15 actual entitlement				2015–16 estimated entitlement				
					General purpose \$	Local road \$	Total \$	General purpose \$ per capita	Min #	Local road \$ per km	General purpose \$	Local road \$	Total \$
Maitland	URL	73 447	392	640	5 290 247	1 249 857	6 540 104	72.03		1952.90	5 265 505	1 254 407	6 519 912
Manly	UDM	44 232	14	105	910 154	312 088	1 222 242	20.58	#	2972.27	906 863	310 632	1 217 495
Marrickville	UDL	82 523	16	193	2 405 600	578 296	2 983 896	29.15		2996.35	2 285 320	574 850	2 860 170
Mid-Western Regional	URS	23 843	8753	1907	3 736 524	2 226 656	5 963 180	156.71		1167.62	3 685 093	2 227 638	5 912 731
Moree Plains	RAV	14 250	17 906	2640	3 812 727	2 697 183	6 509 910	267.56		1021.66	3 993 437	2 691 607	6 685 044
Mosman	UDS	29 983	9	86	616 955	231 827	848 782	20.58	#	2695.66	613 053	230 421	843 474
Murray	RAL	7418	4344	1333	2 520 430	1 408 844	3 929 274	339.77		1056.90	2 594 040	1 409 863	4 003 903
Murrumbidgee	RAM	2503	3507	590	1 122 352	570 845	1 693 197	448.40		967.53	1 137 388	570 823	1 708 211
Muswellbrook	RAV	16 851	3405	581	2 488 487	871 656	3 360 143	147.68		1500.27	2 430 457	873 787	3 304 244
Nambucca	RAV	19 529	1491	666	2 494 226	1 132 682	3 626 908	127.72		1700.72	2 466 154	1 131 960	3 598 114
Narrabri	RAV	13 685	13 014	2178	4 077 328	2 224 139	6 301 467	297.94		1021.18	4 185 611	2 177 202	6 362 813
Narrandera	RAL	6030	4116	1463	2 608 459	1 433 265	4 041 724	432.58		979.68	2 718 815	1 463 550	4 182 365
Narromine	RAL	6872	5260	1337	2 562 140	1 318 547	3 880 687	372.84		986.20	2 582 038	1 317 189	3 899 227
Newcastle	URV	158 553	187	747	10 897 037	1 737 205	12 634 242	68.73		2325.58	10 448 343	1 751 393	12 199 736
North Sydney	UDM	69 248	10	143	1 424 904	459 347	1 884 251	20.58	#	3212.22	1 438 171	460 635	1 898 806
Oberon	RAL	5270	3627	849	1 472 493	873 325	2 345 818	279.41		1028.65	1 496 001	873 293	2 369 294
Orange	URM	40 869	284	437	3 480 570	1 056 803	4 537 373	85.16		2418.31	3 329 922	1 062 544	4 392 466
Palerang	RAV	15 306	5147	1064	1 647 119	1 309 077	2 956 196	107.61		1230.34	1 642 425	1 310 495	2 952 920
Parkes	RAV	15 087	5955	1797	3 626 899	1 868 357	5 495 256	240.40		1039.71	3 631 284	1 868 086	5 499 370
Parramatta	UDV	184 622	61	517	7 853 492	1 519 676	9 373 168	42.54		2939.41	7 718 268	1 522 538	9 240 806
Penrith	UFV	190 428	405	988	8 973 585	2 219 553	11 193 138	47.12		2246.51	8 598 125	2 257 478	10 855 603
Pittwater	UDM	62 070	90	249	1 277 204	605 342	1 882 546	20.58	#	2431.09	1 282 519	603 938	1 886 457
Port Macquarie- Hastings	URL	76 563	3683	1232	6 219 395	2 630 549	8 849 944	81.23		2135.19	6 125 410	2 638 441	8 763 851
Port Stephens	URM	68 935	858	639	4 958 350	1 167 429	6 125 779	71.93		1826.96	5 185 589	1 163 602	6 349 191
Queanbeyan	URM	40 568	172	270	1 981 333	874 179	2 855 512	48.84		3237.70	1 882 266	877 767	2 760 033
Randwick	UDV	142 310	36	276	2 928 286	923 734	3 852 020	20.58	#	3346.86	2 911 291	918 272	3 829 563
Richmond Valley	URS	22 749	3047	1001	3 182 048	1 478 497	4 660 545	139.88		1477.02	3 147 818	1 481 181	4 628 999
Rockdale	UDL	106 712	28	264	2 195 794	781 649	2 977 443	20.58	#	2960.79	2 188 328	777 924	2 966 252
Ryde	UDL	112 545	40	308	2 315 818	872 228	3 188 046	20.58	#	2831.91	2 320 472	870 283	3 190 755

Distribution to councils for 2014-15 and 2015-16 (continued)

Council name	Classi- fication	Population ^a No.	Council area sq km	Road length km	2014-15 actual entitlement			2015-16 estimated entitlement					
					General purpose \$	Local road \$	Total \$	General purpose \$ per capita	Min #	Local road \$ per km	General purpose \$	Local road \$	Total \$
Shellharbour	URM	67 797	147	368	3 914 787	826 878	4 741 665	57.74		2246.95	3 901 619	826 603	4 728 222
Shoalhaven	URL	97 694	4567	1597	8 212 038	3 113 587	11 325 625	84.06		1949.65	8 237 556	3 093 249	11 330 805
Silverton Village	RTX	57	-	-	30 135	-	30 135	528.68		-	30 153	-	30 153
Singleton	URS	23 751	4893	737	2 195 839	1 165 443	3 361 282	92.45		1581.33	2 193 061	1 173 294	3 366 355
Snowy River	RAL	8 087	6030	761	2 324 768	861 322	3 186 090	287.47		1131.83	2 314 224	862 394	3 176 618
Strathfield	UDM	38 358	14	86	789 286	268 949	1 058 235	20.58	#	3127.31	799 443	270 049	1 069 492
Sutherland	UDV	223 192	334	789	4 592 579	1 956 763	6 549 342	20.58	#	2480.05	4 557 396	1 951 787	6 509 183
Sydney	UCC	191 918	27	301	4 092 507	1 191 514	5 284 021	21.32		3958.52	4 015 964	1 200 606	5 216 570
Tamworth Regional	URM	59 743	9884	2939	6 194 882	3 882 904	10 077 786	103.69		1321.17	6 089 065	3 890 414	9 979 479
Temora	RAL	5995	2802	1134	1 963 070	1 145 315	3 108 385	327.45		1009.98	1 970 343	1 130 172	3 100 515
Tenterfield	RAL	6973	7322	1460	2 610 190	1 560 583	4 170 773	374.33		1068.89	2 675 083	1 558 360	4 233 443
Tibooburra	RTX	128	-	-	67 672	-	67 672	528.69		-	67 712	-	67 712
Tumbarumba	RAM	3521	4392	465	1 382 058	542 235	1 924 293	392.52		1166.10	1 382 155	542 310	1 924 465
Turnut	RAV	11 316	4567	580	2 509 931	776 440	3 286 371	221.80		1338.69	2 539 648	777 906	3 317 554
Tweed	URL	90 114	1307	1087	6 727 476	2 637 918	9 365 394	74.66		2426.79	6 840 245	2 643 800	9 484 045
Upper Hunter	RAV	14 650	8096	1580	2 572 554	1 823 115	4 395 669	175.60		1153.87	2 624 488	1 821 997	4 446 485
Upper Lachlan	RAL	7586	7128	1732	2 349 894	1 770 625	4 120 519	309.77		1022.30	2 405 286	1 782 200	4 187 486
Uralla	RAL	6370	3226	818	1 370 665	906 114	2 276 779	215.18		1107.72	1 396 554	905 480	2 302 034
Urana	RAS	1157	3356	767	1 083 414	731 093	1 814 507	936.40		953.19	1 092 401	730 606	1 823 007
Wagga Wagga	URM	62 149	4826	2114	7 032 104	3 028 603	10 060 707	113.15		1432.64	6 925 984	3 038 458	9 964 442
Wakool	RAM	3979	7520	1281	2 211 515	1 360 274	3 571 789	555.80		1061.88	2 244 718	1 359 187	3 603 905
Walcha	RAM	3087	6261	807	984 856	858 545	1 843 401	319.03		1063.87	1 061 800	898 853	1 960 653
Walgett	RAL	6785	22 308	1817	3 761 804	1 834 733	5 596 537	554.43		1009.76	3 874 170	1 832 326	5 706 496
Warren	RAM	2910	10 754	964	1 454 304	969 584	2 423 888	499.76		1005.79	1 493 999	969 027	2 463 026
Warringham	UDV	152 636	149	460	3 140 762	1 239 456	4 380 218	20.58	#	2694.47	3 144 415	1 236 032	4 380 447
Warrumbungle	RAL	9778	12 371	2276	3 949 406	2 291 313	6 240 719	403.91		1006.73	4 035 224	2 294 851	6 330 075
Waverley	UDL	70 706	9	113	1 454 905	423 869	1 878 774	20.58	#	3751.05	1 453 236	422 614	1 875 850
Weddin	RAM	3711	3409	968	1 484 770	944 092	2 428 862	400.10		975.30	1 472 786	943 402	2 416 188
Wellington	RAL	8955	4110	1234	2 456 770	1 280 425	3 737 195	274.35		1037.62	2 490 918	1 280 258	3 771 176
Wentworth	RAL	6832	26 257	1944	3 400 034	1 884 025	5 284 059	497.66		969.15	3 607 272	1 883 576	5 490 848

Distribution to councils for 2014–15 and 2015–16 (continued)

Council name	Classi- fication	Population ^a No.	Council area sq km	Road length km	2014–15 actual entitlement				2015–16 estimated entitlement			
					General purpose	Local road	Total	General purpose \$ per capita	Local road \$ per km	General purpose	Local road	Total
Willoughby	UDL	73 155	22	199	1 505 297	569 021	2 074 318	20.58	2 859.40	1 501 773	566 494	2 068 267
Wingecarribee	URM	47 054	2688	1044	2 783 931	1 717 756	4 501 687	59.16	1645.36	2 940 065	1 722 141	4 662 206
Wollondilly	UFM	46 295	2556	703	2 144 857	1 270 456	3 415 313	46.33	1807.19	2 143 039	1 270 595	3 413 634
Wollongong	URV	205 231	684	950	15 084 460	2 328 238	17 412 698	73.50	2450.78	15 161 068	2 318 685	17 479 753
Woollahra	UDM	57 677	12	140	1 186 810	422 316	1 609 126	20.58	3016.54	1 186 965	421 044	1 608 009
Wyong	UFV	157 358	740	1028	10 668 219	2 152 247	12 820 466	67.80	2093.63	10 830 090	2 128 189	12 958 279
Yass Valley	RAV	16 270	3998	1053	1 633 199	1 251 708	2 884 907	100.38	1188.71	1 570 780	1 255 784	2 826 564
Young	RAV	12 699	2693	1060	2 364 868	1 200 611	3 565 479	186.22	1132.65	2 371 251	1 195 152	3 566 403
Victoria												
Alpine	RAV	12 348	4788	790	2 427 644	1 078 965	3 506 609	196.60	1365.78	2 381 311	1 057 402	3 438 713
Ararat	RAV	11 207	4211	2262	3 157 713	2 145 917	5 303 630	281.76	948.68	3 242 881	2 210 329	5 453 210
Ballarat	URL	98 684	739	1372	9 912 327	2 142 220	12 054 547	100.45	1561.38	9 981 508	2 167 499	12 149 007
Banyule	UDV	124 475	63	547	3 648 663	909 956	4 558 619	29.31	1663.54	3 473 003	899 733	4 372 736
Bass Coast	URM	31 010	865	930	4 185 674	1 353 739	5 539 413	134.98	1455.63	4 134 705	1 359 683	5 494 388
Baw Baw	URM	45 326	4031	1952	5 689 991	2 559 098	8 249 089	125.53	1311.01	5 965 051	2 635 912	8 600 963
Bayside	UDL	98 368	37	356	2 022 244	514 704	2 536 948	20.56	1445.80	2 026 347	522 225	2 548 572
Benalla	RAV	13 719	2353	1349	2 430 741	1 396 108	3 826 849	177.18	1034.92	2 398 171	1 429 583	3 827 754
Boroondara	UDV	170 553	60	562	3 506 219	811 968	4 318 187	20.56	1444.78	3 499 573	836 340	4 335 913
Brimbank	UDV	195 469	123	894	11 867 220	1 621 049	13 488 269	60.71	1813.25	11 573 419	1 602 711	13 176 130
Buloke	RAL	6221	8000	5313	3 224 305	2 240 759	5 465 064	518.29	421.75	3 293 945	2 305 083	5 599 028
Campaspe	URM	36 919	4519	3998	7 107 503	4 169 220	11 276 723	192.52	1042.83	7 082 718	4 085 899	11 168 617
Cardinia	UFL	84 065	1282	1455	7 332 208	2 384 711	9 716 919	87.22	1638.98	7 523 601	2 379 776	9 903 377
Casey	UDV	275 116	409	1512	15 274 299	2 159 601	17 433 900	55.52	1428.31	15 151 528	2 178 972	17 330 500
Central Goldfields	RAV	12 602	1533	1267	2 480 196	1 105 059	3 585 255	196.81	872.19	2 444 200	1 094 298	3 538 498
Colac Otway	URS	20 694	3438	1623	3 443 982	2 537 204	5 981 186	166.42	1563.28	3 475 181	2 507 666	5 982 847
Corangamite	RAV	16 137	4408	2367	3 756 197	3 257 492	7 013 689	232.77	1376.21	3 783 356	3 279 613	7 062 969
Darebin	UDV	146 797	54	511	4 048 167	889 679	4 937 846	27.58	1741.05	3 890 594	898 199	4 788 793
East Gippsland	URM	43 413	20 942	2937	9 246 486	4 494 379	13 740 865	212.99	1530.26	9 329 495	4 427 789	13 757 284
Frankston	UDV	133 560	130	700	7 580 174	1 048 492	8 628 666	56.75	1497.85	7 483 469	1 058 605	8 542 074
Gannawarra	RAV	10 326	3735	2252	3 149 185	1 944 757	5 093 942	304.98	863.57	3 117 764	1 905 891	5 023 655
Glen Eira	UDV	141 519	39	433	2 909 340	586 672	3 496 012	20.56	1354.90	2 920 683	604 281	3 524 964

Distribution to councils for 2014-15 and 2015-16 (continued)

Council name	Classi- fication	Population ^a No.	Council area sq km	Road length km	2014-15 actual entitlement			2015-16 estimated entitlement					
					General purpose \$	Local road \$	Total \$	General purpose \$ per capita	Min #	Local road \$ per km	General purpose \$	Local road \$	Total \$
Glenside	RAV	19 521	6218	2641	3 919 022	3 195 959	7 114 981	200.76		1210.13	4 024 257	3 247 265	7 271 522
Golden Plains	URS	20 151	2703	1832	3 245 614	1 935 382	5 180 996	161.06		1056.43	3 226 846	1 905 182	5 132 028
Greater Bendigo	URL	105 332	3000	3074	11 707 124	3 233 095	14 940 219	111.14		1051.76	11 764 291	3 218 754	14 983 045
Greater Dandenong	UDV	146 727	130	670	9 336 827	1 372 809	10 709 636	63.63		2048.97	9 303 530	1 398 334	10 701 864
Greater Geelong	URV	221 515	1248	2073	16 238 917	3 078 044	19 316 961	73.31		1484.83	16 138 166	3 063 916	19 202 082
Greater Shepparton	URM	62 784	2422	2582	8 447 111	3 012 801	11 459 912	134.54		1166.85	8 483 281	2 975 988	11 459 269
Hepburn	RAV	14 843	1473	1425	2 827 862	1 423 797	4 251 659	190.52		999.16	2 881 817	1 408 032	4 289 849
Hindmarsh	RAL	5695	7524	3177	2 517 001	1 546 791	4 063 792	441.97		486.87	2 501 631	1 591 646	4 033 277
Hobsons Bay	UDL	89 111	64	425	1 831 939	679 618	2 511 557	20.56	#	1599.10	1 882 954	688 406	2 571 360
Horsham	RAV	19 687	4 267	2 918	3 629 756	2 027 515	5 657 271	184.37		694.83	3 692 134	2 040 433	5 732 567
Hume	UFV	183 263	504	1 116	10 813 331	1 997 576	12 810 907	59.00		1 789.94	10 930 718	2 057 535	12 988 253
Indigo	RAV	15 372	2040	1564	2 756 350	1 635 786	4 392 136	179.31		1045.90	2 701 764	1 603 095	4 304 859
Kingston	UDV	151 686	91	598	3 118 353	1 193 929	4 312 282	20.56	#	1996.54	3 103 556	1 197 570	4 301 126
Knox	UDV	154 909	114	717	6 550 769	1 036 151	7 586 920	42.29		1445.12	6 297 146	1 024 061	7 321 207
Latrobe	URL	73 846	1426	1564	8 926 150	2 427 578	11 353 728	120.88		1552.16	9 011 845	2 416 162	11 428 007
Loddon	RAL	7443	6696	4723	4 301 826	3 414 226	7 716 052	577.97		722.89	4 427 498	3 469 308	7 896 806
Macedon Ranges	URM	44 098	1748	1661	4 597 850	1 999 042	6 596 892	104.26		1203.52	4 698 239	2 035 805	6 734 044
Manningham	UDL	117 537	113	592	2 416 319	755 957	3 172 276	20.56	#	1276.95	2 402 920	757 816	3 160 736
Mansfield	RAL	8405	3844	801	1 859 974	923 389	2 783 363	221.29		1152.80	1 886 306	904 935	2 791 241
Maribyrnong	UDL	79 302	31	304	2 491 281	471 995	2 963 276	31.42		1552.62	2 394 309	486 162	2 880 471
Maroondah	UDL	109 575	61	476	4 543 058	737 562	5 280 620	41.46		1549.50	4 367 388	729 275	5 096 663
Melbourne	UCC	116 447	37	206	2 393 911	665 891	3 059 802	20.56	#	3232.48	2 477 651	660 722	3 138 373
Melton	UFV	122 909	528	976	10 975 014	1 568 278	12 543 292	89.29		1606.84	11 316 927	1 615 351	12 932 278
Mildura	URM	52 685	22 083	5091	9 499 937	3 687 004	13 186 941	180.32		724.22	9 731 410	3 731 664	13 463 074
Mitchell	URM	37 366	2862	1461	4 705 612	1 675 812	6 381 424	125.93		1147.03	4 852 209	1 724 267	6 576 476
Moira	URS	28 675	4047	3611	6 038 504	3 647 714	9 686 218	210.58		1010.17	6 131 179	3 637 265	9 768 444
Monash	UDV	182 485	82	734	3 751 517	1 131 914	4 883 431	20.56	#	1542.12	3 751 480	1 121 450	4 872 930
Moonee Valley	UDL	115 097	43	413	2 366 159	657 607	3 023 766	20.56	#	1592.27	2 378 915	677 346	3 056 261
Moorabool	URM	30 320	2111	1495	3 934 648	1 789 419	5 724 067	129.77		1196.94	4 055 127	1 760 102	5 815 229
Moreland	UDV	160 029	51	518	5 058 256	904 863	5 963 119	31.61		1746.84	4 861 365	894 697	5 756 062

Distribution to councils for 2014–15 and 2015–16 (continued)

Council name	Classi- fication	Population ^a No.	Council area sq km	Road length km	2014–15 actual entitlement			2015–16 estimated entitlement					
					General purpose \$	Local road \$	Total \$	General purpose \$ per capita	Min #	Local road \$ per km	General purpose \$	Local road \$	Total \$
Mornington Peninsula	UFV	152 260	724	1705	4 181 063	2 335 745	6 516 808	27.46		1369.94	4 140 499	2 297 238	6 437 737
Mount Alexander	RAV	17 994	1530	1431	2 842 730	1 499 121	4 341 851	157.98		1047.60	2 852 828	1 544 118	4 396 946
Moyne	RAV	16 277	5482	2743	3 639 152	3 708 330	7 347 482	223.58		1351.92	3 696 815	3 720 262	7 417 077
Murrindindi	RAV	13 494	3879	1200	2 680 622	1 627 900	4 308 522	198.65		1356.58	2 672 340	1 595 367	4 267 707
Nilumbik	UFM	62 724	432	762	2 218 196	1 094 760	3 312 956	35.36		1436.69	2 131 854	1 078 834	3 210 688
Northern Grampians	RAV	11 799	5728	3374	3 893 535	2 627 512	6 521 047	329.99		778.75	3 995 411	2 649 023	6 644 434
Port Phillip	UDL	102 501	21	214	2 107 211	396 341	2 503 552	20.56	#	1852.06	2 125 670	400 905	2 526 575
Pyrenees	RAL	6770	3435	2023	2 958 253	2 012 497	4 970 750	436.96		994.81	2 856 583	1 983 946	4 840 529
Queenscliffe	UFS	3058	9	43	202 852	51 444	254 296	66.33		1196.37	199 017	52 988	252 005
South Gippsland	URS	27 930	3297	2089	5 126 145	3 405 332	8 531 477	183.54		1630.13	5 376 150	3 507 547	8 883 697
Southern Grampians	RAV	16 145	6655	2760	3 840 988	2 894 877	6 735 865	237.91		1048.87	3 802 211	2 851 617	6 653 828
Stonnington	UDL	103 187	26	258	2 121 313	401 501	2 522 814	20.56	#	1556.21	2 148 681	409 148	2 557 829
Strathbogie	RAL	9706	3303	2234	2 875 045	2 092 225	4 967 270	296.21		936.54	2 803 109	2 073 596	4 876 705
Surf Coast	UFS	28 282	1553	1090	2 230 000	1 414 436	3 644 436	78.85		1297.65	2 209 027	1 410 268	3 619 295
Swan Hill	URS	20 867	6115	3484	4 114 510	2 053 515	6 168 025	197.18		589.41	4 120 494	2 039 603	6 160 097
Towong	RAL	5889	6675	1204	2 276 488	1 366 972	3 643 460	386.57		1135.36	2 209 135	1 339 653	3 548 788
Wangaratta	URS	27 197	3645	1974	4 229 367	2 305 157	6 534 524	155.51		1167.76	4 215 995	2 264 743	6 480 738
Warrambool	URM	33 300	121	326	2 880 172	659 326	3 539 498	86.49		2022.47	2 863 199	649 816	3 513 015
Wellington	URM	42 319	10 817	3031	7 593 179	4 527 119	12 120 298	179.43		1493.61	7 596 834	4 436 646	12 033 480
West Wimmera	RAM	4089	9108	2812	2 724 015	2 222 730	4 946 745	666.18		790.44	2 680 407	2 178 310	4 858 717
Whitehorse	UDV	161 724	64	607	3 324 714	851 026	4 175 740	20.56	#	1402.02	3 318 828	876 570	4 195 398
Whittlesea	UFV	179 261	490	1185	10 650 725	1 861 000	12 511 725	59.41		1570.46	10 982 535	1 916 860	12 899 395
Wodonga	URM	37 345	433	497	3 819 053	878 074	4 697 127	102.26		1766.75	3 938 031	845 408	4 783 439
Wyndham	UFV	189 618	542	1247	12 258 937	1 843 704	14 102 641	64.65		1478.51	12 640 849	1 899 045	14 539 894
Yarra	UDL	83 593	20	214	1 718 501	389 208	2 107 709	20.56		1818.73	1 753 841	395 666	2 149 507
Yarra Ranges	UFV	149 538	2466	1743	10 693 985	3 430 821	14 124 806	71.51	#	1968.34	10 717 783	3 293 639	14 011 422
Yarriambiack	RAL	7018	7326	4810	2 888 739	1 889 776	4 778 515	411.62		392.88	2 884 173	1 873 109	4 757 282
Queensland													
Aurukun ^b	RTM	1401	7347	85	1 828 008	60 473	1 888 481	1 304.79		714.91	1 755 132	61 446	1 816 578
Balonne	RAM	4886	31 106	2319	3 373 820	1 305 146	4 678 966	690.51		562.81	3 393 697	1 334 154	4 727 851

Distribution to councils for 2014-15 and 2015-16 (continued)

Council name	Classi- fication	Population* No.	Council area sq km	Road length km	2014-15 actual entitlement			2015-16 estimated entitlement					
					General purpose \$	Local road \$	Total \$	General purpose \$ per capita	Min #	Local road \$ per km	General purpose \$	Local road \$	Total \$
Banana	RAV	15 200	28 546	3945	5 612 551	2 292 747	7 905 298	369.25		581.18	5 441 643	2 218 559	7 660 202
Barcaldine	RTL	3361	53 521	3174	4 916 625	1 751 341	6 667 966	1462.85		551.78	5 061 770	1 685 776	6 747 546
Barcoo	RTX	364	61 825	1666	2 834 510	904 528	3 739 038	7787.12		542.93	2 763 134	925 794	3 688 928
Blackall-Tambo	RTM	2319	30 389	1839	2 770 773	1 018 629	3 789 402	1194.81		553.90	2 834 450	1 043 924	3 878 374
Boulia	RTS	496	60 956	1329	2 155 569	723 723	2 879 292	4345.91		544.56	2 219 204	740 683	2 959 887
Brisbane	UCC	1 131 191	1 338	5666	23 271 684	14 966 339	38 238 023	20.57	#	2641.43	23 238 277	15 042 027	38 280 304
Bulloo	RTS	408	73 763	1977	4 625 177	1 073 128	5 698 305	11 336.22		542.81	4 761 718	1 105 565	5 867 283
Bundaberg	URL	93 976	6 436	2997	4 974 068	2 609 156	7 583 224	52.93		870.59	4 867 371	2 636 947	7 504 318
Burdekin	RAV	17 888	5 043	1143	2 437 178	806 174	3 243 352	136.25		705.31	2 509 126	818 482	3 327 608
Burke	RTS	556	40 039	713	2 437 419	391 323	2 828 742	4383.85		548.84	2 509 375	400 405	2 909 780
Cairns	URV	157 116	1 688	1312	3 232 299	2 362 745	5 595 044	20.57	#	1800.46	3 221 642	2 377 954	5 599 596
Carpentaria	RTM	2225	64 125	1741	3 769 210	964 658	4 733 868	1694.03		554.08	3 765 215	986 839	4 752 054
Cassowary Coast	URS	28 694	4685	1163	2 186 507	930 694	3 117 201	76.20		800.25	2 251 056	961 974	3 213 030
Central Highlands	URM	31 289	59 835	4688	6 018 243	2 863 737	8 881 980	192.34		610.87	5 834 983	2 854 852	8 689 835
Charters Towers	RAV	12 491	68 374	4026	4 320 854	2 308 033	6 628 887	345.92		573.31	4 189 281	2 307 012	6 496 293
Cherbourg *	RTM	1286	32	70	498 736	51 376	550 112	387.82		733.94	513 459	52 147	565 606
Cloncurry	RAM	3413	47 983	1571	4 253 302	885 251	5 138 553	1246.21		563.50	4 378 865	904 728	5 283 593
Cook	RAM	4393	105 781	2676	6 999 410	1 492 964	8 492 374	1593.31		557.91	7 206 042	1 625 943	8 831 985
Croydon	RTX	322	29 487	1088	2 705 257	591 599	3 296 856	8401.42		543.75	2 785 120	605 508	3 390 628
Diamantina	RTX	292	94 667	1148	2 240 526	623 721	2 864 247	7673.03		543.31	2 306 670	638 383	2 945 053
Doomadgee *	RTM	1382	1 835	113	1 125 624	75 634	1 201 258	814.49		669.33	1 158 854	77 014	1 235 868
Douglas	RAV	11 502	2 427	373	1 010 838	322 473	1 333 311	87.98		865.47	980 057	326 645	1 306 702
Etheridge	RTS	918	39 201	1754	3 528 449	957 933	4 486 382	3843.63		546.14	3 632 613	984 170	4 616 783
Flinders	RTM	1828	41 193	1992	4 610 814	1 096 180	5 706 994	2522.33		550.29	4 746 931	1 121 364	5 868 295
Fraser Coast	URL	100 297	7103	3732	4 314 356	3 073 036	7 387 392	43.02		823.43	4 182 980	2 486 630	6 669 610
Gladstone	URM	63 955	10 466	2586	5 580 939	2 071 056	7 651 995	87.26		800.87	5 410 995	2 119 239	7 530 234
Gold Coast	URV	537 844	1332	4002	11 064 917	7 823 153	18 888 070	20.57	#	1954.81	11 065 399	7 370 578	18 435 977
Goondiwindi	RAV	11 032	19 255	2475	4 310 160	1 454 156	5 764 316	390.70		587.54	4 366 944	1 484 157	5 851 101
Gympie	URM	48 145	6885	2283	3 459 054	1 740 881	5 199 935	71.85		762.54	3 353 723	1 763 052	5 116 775

Distribution to councils for 2014–15 and 2015–16 (continued)

Council name	Classi- fication	Population ^a No.	Council area sq km	Road length km	2014–15 actual entitlement			2015–16 estimated entitlement					
					General purpose \$	Local road \$	Total \$	General purpose \$ per capita	Min #	Local road \$ per km	General purpose \$	Local road \$	Total \$
Hinchinbrook	RAV	11 700	2801	693	1 514 983	497 774	2 012 757	129.49		718.29	1 468 851	503 285	1 972 136
Hope Vale *	RTM	1080	1105	115	879 508	73 538	953 046	814.36		639.46	905 472	75 008	980 480
Ipswich	URV	183 105	1088	1638	3 766 969	2 812 305	6 579 274	20.57	#	1716.91	3 810 549	2 919 142	6 729 691
Isaac	URS	24 275	58 720	3249	3 038 123	2 011 959	5 050 082	125.15		619.25	2 945 610	2 054 649	5 000 259
Kowanyama*	RTM	1115	2543	352	1 299 011	202 285	1 501 296	1165.03		573.92	1 337 359	206 740	1 544 099
Livingstone	UFM	35 394	11 751	1419	2 623 799	1 139 596	3 763 395	74.13		803.10	2 543 902	1 158 919	3 702 821
Lockhart River *	RTS	529	3578	333	1 389 347	185 598	1 574 945	2626.36		557.35	1 430 362	98 028	1 528 390
Lockyer Valley	URM	37 652	2269	1428	2 931 840	1 168 224	4 100 064	77.87		818.08	2 907 016	1 187 841	4 094 857
Logan	URV	300 667	958	2264	6 185 540	4 387 804	10 573 344	20.57	#	1938.08	6 182 692	4 430 982	10 613 674
Longreach	RTL	4244	40 572	3032	6 080 691	1 683 862	7 764 553	1432.77		555.36	5 895 529	1 564 836	7 460 365
Mackay	URV	121 909	7601	2471	3 782 443	2 618 711	6 401 154	31.03		1059.78	3 667 264	2 652 204	6 319 468
Mapoon Aboriginal Shire Council*	RTX	288	548	35	976 795	21 953	998 748	3391.65		627.23	1 005 631	22 411	1 028 042
Maranoa	RAV	13 800	58 711	5869	12 649 942	3 318 198	15 968 140	916.66		565.38	13 023 384	3 387 011	16 410 395
Mareeba	URS	21 268	53 504	2305	4 816 305	1 469 958	6 286 263	226.46		637.73	4 958 488	1 500 095	6 458 583
McKinlay	RTM	1085	40 734	1978	4 269 261	1 080 792	5 350 053	3934.80		546.41	4 395 295	1 105 948	5 501 243
Moreton Bay	URV	408 914	2033	3524	8 412 475	6 208 046	14 620 521	20.57	#	1761.65	8 452 786	6 231 491	14 684 277
Mornington *	RTM	1214	1244	238	1 364 701	141 446	1 506 147	1124.14		594.31	1 404 989	100 134	1 505 123
Mount Isa	URS	22 779	43 188	2033	4 013 151	1 338 805	5 351 956	176.18		658.54	4 131 625	1 360 861	5 492 486
Murweh	RTL	4736	40 698	2759	5 022 984	1 541 224	6 564 208	1060.60		558.70	4 928 332	1 575 863	6 504 195
Napranam*	RTS	926	1998	171	950 622	102 343	1 052 965	1026.59		597.52	978 685	104 423	1 083 108
Noosa	URM	52 687	870	870	1 083 926	1 024 763	2 108 689	20.57	#	1177.89	1 075 036	1 031 962	2 106 998
North Burnett	RAV	10 360	19 667	4132	8 392 741	2 342 917	10 735 658	810.11		567.02	8 640 505	2 393 815	11 034 320
Northern Peninsula Area*	RTM	2560	1057	363	3 462 850	222 945	3 685 795	1352.68		614.94	3 565 077	228 282	3 793 359
Palm Island*	RTM	2590	71	38	1 064 400	47 809	1 112 209	410.97		1257.44	1 095 822	48 196	1 144 018
Paroo	RTM	1903	47 616	2283	3 436 736	1 254 293	4 691 029	1805.96		549.41	3 538 193	1 283 101	4 821 294
Porpuraa *	RTS	727	4429	566	1 199 246	313 730	1 512 976	1649.58		554.15	1 234 650	320 917	1 555 567
Quilpie	RTS	983	67 423	2041	3 593 749	1 113 779	4 707 528	3655.90		545.70	3 662 966	1 151 317	4 814 283
Redland	URV	147 437	536	1055	3 033 181	2 121 794	5 154 975	20.57	#	2011.18	3 012 033	2 129 497	5 141 530

Distribution to councils for 2014-15 and 2015-16 (continued)

Council name	Classi- fication	Population* No.	Council area sq km	Road length km	2014-15 actual entitlement				2015-16 estimated entitlement				
					General purpose \$	Local road \$	Total \$	General purpose \$ per capita	Min #	Local road \$ per km	General purpose \$	Local road \$	Total \$
Richmond	RTS	845	26 580	1254	3 229 448	686 847	3 916 295	3821.83		547.72	3 131 109	726 167	3 857 276
Rockhampton	URL	82 649	6560	1992	4 977 340	1 946 437	6 923 777	60.22		977.30	5 124 277	1 968 220	7 092 497
Scenic Rim	UFM	38 399	4248	1794	1 668 150	1 373 957	3 042 107	43.44		765.86	1 617 354	1 398 470	3 015 824
Somerset	UFS	23 287	5373	1899	2 177 094	1 271 705	3 448 799	93.49		669.67	2 129 601	1 288 999	3 418 600
South Burnett	URM	32 641	8382	3277	4 952 659	2 115 129	7 067 788	151.73		645.45	4 801 846	2 155 429	6 957 275
Southern Downs	URM	35 559	7112	3053	4 986 727	2 024 731	7 011 458	140.24		663.19	4 834 877	2 060 251	6 895 128
Sunshine Coast	URV	277 811	2251	2971	5 715 320	4 529 522	10 244 842	20.57	#	1524.58	5 731 052	4 578 832	10 309 884
Tablelands	URS	24 907	11 289	1845	3 990 085	1 264 001	5 254 086	160.20		685.12	4 107 877	1 280 222	5 388 099
Toowoomba	URV	160 251	12 958	8035	10 176 986	6 030 262	16 207 248	63.51		750.50	9 541 465	5 756 707	15 298 172
Torres	RTL	3603	883	112	2 741 205	98 464	2 839 669	760.81		879.14	2 822 129	99 868	2 921 997
Torres Strait Island*	RTL	4567	489	368	10 031 601	247 264	10 278 865	2196.54		671.06	9 726 130	251 854	9 977 984
Townsville	URV	189 238	3727	1682	4 066 680	2 900 630	6 967 310	21.49		1724.51	3 942 846	2 939 521	6 882 367
Western Downs	URM	33 494	37 939	7517	13 671 629	4 416 396	18 088 025	408.18		587.52	13 255 316	4 509 971	17 765 287
Whitsunday	URM	34 016	23 804	1854	3 306 058	1 360 275	4 666 333	97.19		733.70	3 364 498	1 373 862	4 738 360
Winton	RTM	1382	53 814	2502	4 041 591	1 367 210	5 408 801	2924.45		546.45	3 990 505	1 399 024	5 389 529
Woorabinda*	RTS	996	390	80	452 485	53 677	506 162	454.30		671.80	465 843	41 539	507 382
Wujal Wujal*	RTX	285	11	22	414 765	14 893	429 658	1455.32		676.95	427 009	12 981	439 990
Yarrabah*	RTM	2681	159	50	781 512	55 243	836 755	291.50		1104.86	804 583	59 035	863 618
Western Australia													
Albany	URM	36 262	4315	1569	2 114 086	1 721 876	3 835 962	58.30		1097.44	2 137 732	1 769 117	3 906 849
Armadale	UFM	73 725	560	681	1 804 837	1 337 060	3 141 897	24.48		1963.38	1 689 593	1 736 098	3 425 691
Ashburton	RTL	10 959	105 647	2160	3 379 897	1 305 318	4 685 215	308.41		604.31	3 404 614	1 300 978	4 705 592
Augusta-Margaret River	RAV	13 168	2370	893	270 008	1 080 791	1 350 799	20.50	#	1210.29	275 763	1 327 371	1 603 134
Bassendean	UDS	15 923	11	95	326 498	215 697	542 195	20.50	#	2270.49	330 073	214 596	544 669
Bayswater	UDM	69 493	33	340	1 424 944	720 687	2 145 631	20.50	#	2119.67	1 431 830	717 063	2 148 893
Belmont	UDM	40 083	40	227	821 896	520 809	1 342 705	20.50	#	2294.31	830 208	522 145	1 352 353
Beverley	RAS	1566	2310	696	808 295	513 711	1 322 006	516.15		738.09	820 118	489 388	1 309 506
Boddington	RAM	2471	1900	257	197 060	192 538	389 598	79.75		749.18	168 707	203 056	371 763
Boyup Brook	RAS	1738	2838	1025	466 190	1 014 682	1 480 872	268.23		989.93	501 717	1 097 143	1 598 860

Distribution to councils for 2014–15 and 2015–16 (continued)

Council name	Classi- fication	Population ^a No.	Council area sq km	Road length km	2014–15 actual entitlement			2015–16 estimated entitlement				
					General purpose \$	Local road \$	Total \$	General purpose \$	Local road \$	Total \$		
Bridgetown- Greenbushes	RAM	4513	1691	713	1 184 453	681 852	1 866 305	262.45	956.31	1 205 043	688 851	1 893 894
Brookton	RAS	992	1626	527	590 110	325 797	915 907	594.87	618.21	605 614	327 646	933 260
Broome	RTL	17 251	56 000	562	2 043 887	926 589	2 970 476	118.48	1648.73	1 936 748	924 925	2 861 673
Broomehill - Tambellup	RAS	1167	2810	971	1 133 576	917 853	2 051 429	971.36	945.27	1 160 677	610 198	1 770 875
Bruce Rock	RAS	996	2772	1175	1 470 729	951 305	2 422 034	1476.64	809.62	1 512 380	990 317	2 502 697
Bunbury	URM	33 623	61	321	689 434	846 228	1 535 662	20.50	2636.22	693 563	882 855	1 576 418
Bussetton	URM	34 290	1454	1091	703 111	1 401 615	2 104 726	20.50	1284.71	720 657	2 108 024	2 828 681
Cambridge	UDS	27 997	22	173	574 074	376 000	950 074	20.50	2173.41	574 811	374 082	948 893
Canning	UDL	96 356	65	576	1 975 766	1 372 907	3 348 673	20.50	2383.52	1 987 085	1 680 662	3 667 747
Capel	RSG	16 447	554	493	1 012 382	548 771	1 561 153	61.55	1113.13	1 028 917	741 739	1 770 656
Carnamah	RAS	550	2885	643	840 774	386 104	1 226 878	1528.68	600.47	855 477	384 135	1 239 612
Carnarvon	RAL	6139	53 000	1526	3 680 093	1 126 134	4 806 227	599.46	737.96	3 713 717	1 099 578	4 813 295
Chapman Valley	RAS	1214	4007	863	322 577	494 620	817 197	265.71	573.14	338 448	491 805	830 253
Chittering	RAM	4996	1220	434	694 175	436 721	1 130 896	138.95	1006.27	725 808	474 582	1 200 390
Claremont	UDS	10 359	5	47	212 410	102 347	314 757	20.50	2177.60	215 030	101 830	316 860
Cockburn	UDL	103 351	148	796	2 119 197	1 469 512	3 588 709	20.50	1846.12	2 159 012	1 490 771	3 649 783
Collie	RAL	9692	1685	384	1 297 348	457 555	1 754 903	133.86	1191.55	1 197 514	457 798	1 655 312
Coolgardie	RTL	4324	30 400	847	525 352	498 813	1 024 165	121.50	588.92	535 944	494 283	1 030 227
Coorow	RAS	1085	4137	856	816 600	517 144	1 333 744	752.63	604.14	834 950	515 086	1 350 036
Corrigin	RAS	1099	3095	1075	1 041 597	648 968	1 690 565	947.77	603.69	1 063 800	645 659	1 709 459
Cottesloe	UDS	8572	4	47	175 768	101 646	277 414	20.50	2162.68	176 365	101 263	277 628
Cranbrook	RAS	1101	3390	1014	635 710	951 567	1 587 277	577.39	938.43	669 680	875 817	1 545 497
Cuballing	RAS	878	1250	555	554 036	318 680	872 716	631.02	574.20	562 066	316 800	878 866
Cue	RTX	298	13 716	740	1 229 099	418 875	1 647 974	4124.49	566.05	1 284 146	416 442	1 700 588
Cunderdin	RAS	1302	1872	783	870 726	493 169	1 363 895	668.76	629.85	883 164	490 653	1 373 817
Dalwallinu	RAS	1295	7187	1918	1 388 284	1 106 917	2 495 201	1072.03	577.12	1 443 178	1 100 754	2 543 932
Dandaragan	RAM	3325	6934	1195	738 990	844 776	1 583 766	222.25	706.93	751 108	840 467	1 591 572
Dardanup	RAV	13 791	518	403	873 570	649 521	1 523 091	63.34	1611.71	886 062	460 882	1 346 944
Denmark	RSG	5748	1842	617	596 606	436 946	1 033 552	103.79	708.18	589 291	759 305	1 348 596

Distribution to councils for 2014-15 and 2015-16 (continued)

Council name	Classi- fication	Population ^a No.	Council area sq km	Road length km	2014-15 actual entitlement			2015-16 estimated entitlement					
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Derby-West Kimberley	RTL	10 047	102 706	1779	4 259 462	1 076 291	5 335 753	423.95		605.00	4 300 393	1 067 934	5 368 327
Donnybrook-Balingup	RAL	5753	1541	670	1 204 407	1 255 882	2 460 289	209.35		1874.45	1 236 180	666 491	1 902 671
Dowerin	RAS	672	1867	939	818 966	522 513	1 341 479	1218.70		556.46	838 623	519 517	1 358 140
Dumbleyung	RAS	608	2553	989	907 036	610 654	1 517 690	1491.84		617.45	938 121	561 532	1 499 653
Dundas	RTM	1182	92 725	627	1 140 344	373 379	1 513 723	964.76		595.50	1 115 975	360 398	1 476 373
East Fremantle	UDS	7736	3	37	158 626	72 147	230 773	20.50	#	1949.92	158 694	71 779	230 473
East Pilbara	RTL	12 960	371 696	3049	3 054 700	2 264 092	5 318 792	235.70		742.57	2 909 802	2 274 932	5 184 734
Esperance	RAV	14 242	44 500	4250	2 053 750	2 755 834	4 809 584	144.20		648.43	2 100 570	2 753 310	4 853 880
Exmouth	RTM	2570	6261	286	1 468 018	406 875	1 874 893	571.21		1422.64	1 482 369	404 801	1 887 170
Fremantle	UDS	30 321	19	177	621 728	392 623	1 014 351	20.50	#	2218.21	625 838	390 628	1 016 466
Gingin	RAM	5248	3325	872	869 037	838 792	1 707 829	165.59		961.92	884 638	832 063	1 716 701
Gnowangerup	RAS	1303	5000	1011	637 600	606 221	1 243 821	489.33		599.63	668 163	602 549	1 270 712
Goomalling	RAS	976	1845	583	356 159	348 427	704 586	364.92		597.64	362 469	346 451	708 920
Gosnells	UFL	121 252	127	727	2 486 254	1 558 270	4 044 524	20.50	#	2143.43	2 512 694	1 792 527	4 305 221
Greater Geraldton	URM	40 448	9929	2088	3 797 599	1 937 930	5 735 529	93.89		928.13	3 844 774	1 926 826	5 771 600
Halls Creek	RTM	3940	143 025	1420	3 424 362	1 063 715	4 488 077	869.13		749.10	3 463 542	974 396	4 437 938
Harvey	URS	25 924	1766	848	1 576 457	1 075 532	2 651 989	60.81		1268.32	1 621 773	956 816	2 578 589
Inwin	RAM	3780	2223	445	283 167	325 896	609 063	74.91		732.35	242 425	325 324	567 749
Jerramungup	RAS	1085	6540	1081	579 841	590 923	1 170 764	534.42		546.64	610 856	590 164	1 201 020
Joondalup	UDV	167 623	99	1006	3 437 085	2 063 567	5 500 652	20.50	#	2051.26	3 417 416	2 117 506	5 534 922
Kalamunda	UFM	59 716	349	613	1 224 467	1 089 881	2 314 348	20.50	#	1777.95	1 230 945	1 295 520	2 526 465
Kalgoorlie/Boulder	URM	33 763	95 228	1347	779 008	1 613 495	2 392 503	23.07		1197.84	785 561	1 669 752	2 455 313
Katanning	RAM	4407	1523	693	1 461 332	483 956	1 945 288	331.59		698.35	1 481 280	481 534	1 962 814
Kellerberrin	RAS	1227	1852	940	1 280 365	1 233 225	2 513 590	1043.49		1311.94	1 312 233	547 544	1 859 777
Kent	RAS	528	6552	1324	532 310	687 328	1 219 638	1008.16		519.13	578 499	686 570	1 265 069
Kojonup	RAM	2022	2937	1135	723 053	659 817	1 382 870	357.59		581.34	756 173	649 046	1 405 219
Kondinin	RAS	1042	7340	1336	883 419	721 953	1 605 372	847.81		540.38	944 706	716 679	1 661 385
Koorda	RAS	431	2862	1065	1 179 887	605 135	1 785 022	2737.56		568.20	1 197 866	601 703	1 799 569
Kulin	RAS	834	4790	1436	828 150	802 503	1 630 653	992.99		558.85	888 721	810 274	1 698 995
Kwinana	UFM	34 413	118	374	705 634	674 113	1 379 747	20.50	#	1802.44	732 471	686 717	1 419 188

Distribution to councils for 2014–15 and 2015–16 (continued)

Council name	Classi- fication	Population* No.	Council area sq km	Road length km	2014–15 actual entitlement				2015–16 estimated entitlement				
					General purpose \$	Local road \$	Total \$	General purpose \$ per capita	Min #	Local road \$ per km	General purpose \$	Local road \$	Total \$
Lake Grace	RAS	1370	10 747	2287	963 752	1 237 731	2 201 483	703.47		541.20	1 027 020	1 223 268	2 250 288
Laverton	RTM	1357	183 198	4209	1 540 486	907 055	2 447 541	1135.21		215.50	1 555 748	811 009	2 366 757
Leonora	RTM	2764	31 743	1226	593 550	594 789	1 188 339	214.74		485.15	608 338	592 817	1 201 155
Mandurah	UFM	80 683	174	671	1 654 393	1 223 600	2 877 993	20.50	#	1823.55	1 675 919	1 217 900	2 893 819
Manjimup	RAL	9427	7028	1304	2 608 979	1 582 323	4 191 302	276.76		1213.44	2 687 515	1 331 182	4 018 697
Meekatharra	RTM	1521	100 733	2491	2 362 151	1 103 963	3 466 114	1553.02		443.18	2 399 997	1 100 054	3 500 051
Melville	UDL	106 335	53	524	2 180 383	1 058 574	3 238 957	20.50	#	2020.18	2 173 177	1 053 176	3 226 353
Menzies	RTS	422	128 353	2075	1 702 030	754 535	2 456 565	4033.25		363.63	1 720 096	872 027	2 592 123
Merredin	RAM	3300	3372	1291	1 468 076	817 199	2 285 275	444.87		633.00	1 493 371	813 162	2 306 533
Mingenew	RAS	486	1927	451	268 727	306 238	574 965	552.94		679.02	273 758	304 892	578 650
Moora	RAM	2535	3788	940	758 994	674 163	1 433 157	299.41		717.19	794 047	672 489	1 466 536
Morawa	RAS	906	3528	969	981 694	539 797	1 521 491	1083.55		557.07	1 003 037	541 135	1 544 172
Mosman Park	UDS	9508	4	43	194 960	82 395	277 355	20.50	#	1916.16	194 806	81 085	275 891
Mount Magnet	RTS	711	13 877	591	1 311 873	306 151	1 618 024	1845.11		518.02	1 335 637	305 070	1 640 707
Mount Marshall	RAS	471	10 134	1716	1 366 370	832 998	2 199 368	2901.00		485.43	1 396 725	828 750	2 225 475
Mukinbudin	RAS	491	3414	908	1 091 545	511 379	1 602 924	2223.11		563.19	1 122 293	506 640	1 628 933
Mundaring	UFM	39 796	644	659	1 801 347	1 034 185	2 835 532	45.26		1569.32	1 542 169	1 014 078	2 556 247
Murchison	RTX	127	49 500	1899	2 543 856	833 888	3 377 744	20 030.36		439.12	2 606 200	830 996	3 437 196
Murray	RAV	16 304	1821	687	1 064 825	1 049 958	2 114 783	65.31		1528.32	911 618	994 966	1 906 584
Nannup	RAS	1316	2953	486	827 947	861 712	1 689 659	629.14		1773.07	840 476	933 340	1 773 816
Narembeen	RAS	810	3821	1412	1 151 457	770 874	1 922 331	1421.55		545.94	1 178 051	765 828	1 943 879
Narogin	RAS	884	1618	733	573 523	412 959	986 482	648.78		563.38	584 987	410 603	995 590
Narogin (Town)	URS	4,430	13	68	1,094,980	156,371	1,251,351	247.17		2,299.57	1,103,848	154,649	1,258,497
Nedlands	UDS	22,918	21	141	469,930	290,995	760,925	20.50	#	2,063.79	471,319	289,240	760,559
Ngaanyatjaraku*	RTM	1,584	159,948	1,322	3,213,720	1,194,282	4,408,002	2,028.86		903.39	3,245,663	1,174,976	4,420,639
Northam	RAV	11,730	1,443	753	2,530,175	768,933	3,299,108	215.70		1,021.16	2,572,255	803,685	3,375,940
Northampton	RAM	3,379	12,499	1,066	789,447	683,421	1,472,868	233.63		641.11	811,683	679,657	1,491,340
Nungarin	RAS	228	1,145	510	901,574	292,208	1,193,782	3,954.27		572.96	917,802	290,547	1,208,349
Peppermint Grove	UDS	1,681	2	9	34,469	20,105	54,574	20.51	#	2,233.89	34,146	19,880	54,026
Perenjori	RAS	924	8,214	1,439	1,009,014	815,844	1,824,858	1,092.01		566.95	1,047,260	811,696	1,858,956
Perth	UCC	20,285	9	93	415,940	415,285	831,225	20.50	#	4,465.43	420,738	408,554	829,292

Distribution to councils for 2014-15 and 2015-16 (continued)

Council name	Classi- fication	Population ^a No.	Council area sq km	Road length km	2014-15 actual entitlement			2015-16 estimated entitlement					
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Pingelly	RAS	1,195	1,223	565	801,324	343,187	1,144,511	670.56		607.41	823,494	341,068	1,164,562
Plantagenet	RAM	5,182	4,792	1,310	687,958	832,447	1,520,405	132.76		635.46	725,105	839,867	1,564,972
Port Hedland	RTL	16,472	11,844	505	1,603,343	671,397	2,274,740	97.34		1,329.50	1,372,653	731,677	2,104,330
Quairading	RAS	1,094	2,000	863	1,090,147	543,330	1,633,477	996.48		629.58	1,125,056	540,452	1,665,508
Ravensthorpe	RAM	2,288	12,872	1,236	958,796	716,913	1,675,709	419.05		580.03	1,006,792	711,221	1,718,013
Rockingham	UDL	120,859	261	956	2,478,196	1,784,449	4,262,645	20.50	#	1,866.58	2,551,116	1,856,392	4,407,508
Roebourne	URS	25,907	15,196	599	1,985,930	1,293,501	3,279,431	76.66		2,159.43	1,700,193	844,692	2,544,885
Sandstone	RTX	116	28,218	922	1,481,582	425,443	1,907,025	12,772.26		461.43	1,501,244	423,862	1,925,106
Serpentine-Jarrahdale	RSG	21,162	905	661	1,572,164	805,257	2,377,421	74.29		1,218.24	1,591,362	924,340	2,515,702
Shark Bay	RTS	928	25,000	571	1,427,657	419,900	1,847,557	1,538.42		735.38	1,454,433	418,476	1,872,909
South Perth	UDM	46,113	20	192	945,541	398,261	1,343,802	20.50	#	2,074.28	941,847	396,230	1,338,077
Stirling	UDV	223,317	100	1,028	4,579,082	2,144,683	6,723,765	20.50	#	2,086.27	4,607,547	2,282,421	6,889,968
Subiaco	UDS	19,693	7	89	403,802	211,251	615,053	20.50	#	2,373.61	408,680	205,073	613,753
Swan	UFL	124,782	1,043	1,420	2,558,636	2,631,095	5,189,731	20.50	#	1,852.88	2,634,688	2,427,058	5,061,746
Tammin	RAS	401	1,087	495	751,119	282,383	1,033,502	1,873.11		570.47	759,910	280,943	1,040,853
Three Springs	RAS	632	2629	675	493,134	431,518	924,652	780.28		639.29	517,194	428,905	946,099
Toodyay	RAM	4686	1683	626	930,628	534,675	1,465,303	198.60		854.11	945,579	532,612	1,478,191
Trayning	RAS	342	1632	751	1,004,992	444,442	1,449,434	2938.57		591.80	1,038,930	442,206	1,481,136
Upper Gascoyne	RTX	262	46,602	1829	2,628,082	842,004	3,470,086	10,030.85		460.36	2,686,799	932,929	3,619,728
Victoria Park	UDM	37,682	18	160	772,664	342,599	1,115,263	20.50	#	2,141.24	772,798	344,272	1,117,070
Victoria Plains	RAS	921	2563	809	408,722	515,475	924,197	443.78		637.18	445,887	512,847	958,734
Vincent	UDM	36,692	11	144	752,364	364,099	1,116,463	20.50	#	2528.47	755,452	360,261	1,115,713
Wagin	RAS	1975	1950	783	892,469	470,525	1,362,994	451.88		600.93	904,452	467,042	1,371,494
Wandering	RAS	438	1955	356	251,285	257,903	509,188	573.71		724.45	262,501	216,785	479,286
Wanneroo	UFV	178,438	688	1286	3,658,845	2,466,379	6,125,224	20.50	#	1917.87	3,765,545	2,481,860	6,247,405
Waroona	RAM	3843	835	343	905,843	382,260	1,288,103	235.71		1114.46	914,805	381,038	1,295,843
West Arthur	RAS	887	2850	858	403,006	490,578	893,584	454.35		571.77	420,224	487,791	908,015
Westonia	RAS	272	3268	882	698,673	489,989	1,188,662	2568.65		555.54	721,832	485,930	1,207,762
Wickepin	RAS	750	1989	873	942,878	495,638	1,438,516	1257.17		567.74	976,324	482,818	1,469,142
Williams	RAS	928	2295	474	114,610	351,530	466,140	123.50		741.62	123,219	293,957	417,176

Distribution to councils for 2014–15 and 2015–16 (continued)

Council name	Classification	Population ^a No.	Council area sq km	Road length km	2014–15 actual entitlement			2015–16 estimated entitlement					
					General purpose \$	Local road \$	Total \$	General purpose \$ per capita	Min #	Local road \$ per km	General purpose \$	Local road \$	Total \$
Wiluna	RTM	1279	184 000	1922	1 594 677	823 827	2 418 504	1246.82		428.63	1 662 809	839 078	2 501 887
Wongan-Ballidu	RAS	1586	3368	1322	1 128 782	769 220	1 898 002	711.72		581.86	1 160 603	764 851	1 925 454
Woodanilling	RAS	429	1126	523	507 932	296 090	804 022	1183.99		566.14	518 784	294 474	813 258
Wyalkatchem	RAS	519	1743	724	974 003	427 365	1 401 368	1876.69		590.28	1 003 477	424 924	1 428 401
Wyndham-East Kimberley	RTL	8652	121 189	1125	2 759 791	1 285 895	4 045 686	318.98		1143.02	2 789 722	1 118 189	3 907 911
Yalgoo	RTS	445	33 258	1133	1 694 887	556 836	2 251 723	3808.73		491.47	1 735 957	553 996	2 289 953
Yilgarn	RAS	1698	30 720	2713	710 210	1 139 635	1 849 845	418.26		420.06	762 462	1 133 767	1 896 229
York	RAM	3581	2010	666	834 056	594 950	1 429 006	232.91		893.32	847 180	592 546	1 439 726
South Australia													
Adelaide	UCC	22 200	15	123	456 618	238 228	694 846	20.57	#	1936.81	457 884	537 417	995 301
Adelaide Hills	UFM	39 832	792	1088	827 529	696 892	1 524 421	20.78		640.53	819 254	698 117	1 512 371
Alexandrina	UFS	24 824	1826	1341	651 700	558 518	1 210 218	26.25		416.49	654 959	562 352	1 217 311
APY*	RTM	2734	-	3185	1 136 826	145 295	1 282 121	415.81		45.62	1 136 826	145 293	1 282 119
Barossa	UFS	22 808	891	970	541 163	447 327	988 490	23.73		461.16	543 869	446 849	990 718
Barunga West	RAM	2452	1581	930	354 323	187 787	542 110	144.50		201.92	350 780	186 857	537 637
Berri Barmera	RAV	10 611	507	470	2 446 747	209 237	2 655 984	230.59		445.19	2 422 280	206 875	2 629 155
Burnside	UDM	44 500	27	235	915 291	466 386	1 381 677	20.57	#	1984.62	902 732	464 615	1 367 347
Campbelltown	UDM	50 893	24	255	1 046 785	521 446	1 568 231	20.57	#	2044.89	1 036 122	520 478	1 556 600
Ceduna	RAM	3670	5433	1715	2 084 363	431 270	2 515 633	567.95		251.47	2 063 519	429 933	2 493 452
Charles Sturt	UDL	111 236	56	574	2 287 940	1 154 223	3 442 163	20.57	#	2010.84	2 274 569	1 157 022	3 431 591
Clare and Gilbert Valleys	RAL	8994	1886	1827	553 958	377 504	931 462	61.59		206.63	556 728	376 292	933 020
Cleave	RAS	1807	4488	1396	966 196	903 556	1 869 752	534.70		647.25	956 534	367 233	1 323 767
Coober Pedy	URS	1787	78	421	821 067	44 737	865 804	459.47		106.26	812 856	44 766	857 622
Coorong	RAL	5586	8863	1893	2 452 833	1 065 776	3 518 609	439.10		563.01	2 428 304	643 454	3 071 758
Copper Coast	RAV	13 687	776	948	1 489 395	308 177	1 797 572	108.82		325.08	1 459 607	309 597	1 769 204
Elliston	RAS	1068	6679	1148	743 818	398 932	1 142 750	696.46		347.50	736 380	397 790	1 134 170
Flinders Ranges	RAS	1649	4106	1262	1 225 235	1 351 554	2 576 789	743.02		1070.96	1 212 982	855 352	2 068 334
Franklin Harbour	RAS	1241	3278	935	1 053 385	232 559	1 285 944	848.82		248.73	1 042 851	226 510	1 269 361
Gawler	UFS	21 590	41	190	1 176 907	894 629	2 071 536	54.51		4708.57	1 165 138	299 046	1 464 184

Distribution to councils for 2014-15 and 2015-16 (continued)

Council name	Classi- fication	Population* No.	Council area sq km	Road length km	2014-15 actual entitlement			2015-16 estimated entitlement					
					General purpose \$	Local road \$	Total \$	General purpose \$ per capita	Min #	Local road \$ per km	General purpose \$	Local road \$	Total \$
Gerard*	RTX	230	-	-	44 367	19 359	63 726	192.90	-	-	44 367	19 358	63 725
Goyder	RAM	4239	6688	3248	2 706 862	658 546	3 365 408	638.56		202.75	2 679 793	655 514	3 335 307
Grant	RAL	8012	1917	1567	974 043	524 661	1 498 704	121.57		334.82	978 913	530 226	1 509 139
Holdfast Bay	UDM	36 763	14	172	756 154	365 173	1 121 327	20.57	#	2123.10	746 781	364 049	1 110 830
Kangaroo Island	RAM	4553	4434	1362	1 433 671	386 423	1 820 094	314.88		283.72	1 440 839	385 219	1 826 058
Karoonda-East Murray	RAS	1016	4409	1299	1 227 340	1 130 122	2 357 462	1208.01		869.99	1 215 066	329 011	1 544 077
Kimba	RAS	1103	3966	1716	1 021 552	294 747	1 316 299	926.16		171.76	1 011 336	293 605	1 304 941
Kingston	RAM	2407	3351	744	549 531	244 857	794 388	228.31		329.11	544 036	303 445	847 481
Light	RAV	14 459	1273	1457	297 397	401 940	699 337	20.57	#	275.87	295 597	402 101	697 698
Lower Eyre Peninsula	RAM	4997	4755	1344	474 881	400 346	875 227	95.03		297.88	470 132	399 886	870 018
Loxton Waikerie	RAV	11 454	7964	2303	3 653 119	712 195	4 365 314	318.94		309.25	3 616 588	709 603	4 326 191
Mallala	RAL	8611	932	958	1 040 519	245 131	1 285 650	120.84		255.88	1 045 722	245 404	1 291 126
Maralinga*	RTX	75	-	-	92 701	51 983	144 684	1236.01		-	92 701	51 982	144 683
Marion	UDL	87 574	56	473	1 801 253	927 945	2 729 198	20.57	#	1961.83	1 781 733	926 177	2 707 910
Mid Murray	RAL	8281	6252	3376	3 148 008	629 630	3 777 638	380.15		186.50	3 116 527	627 973	3 744 500
Mitcham	UDM	65 720	75	400	1 351 752	737 114	2 088 866	20.57	#	1842.79	1 335 553	1 137 444	2 472 997
Mount Barker	URM	31 325	593	772	673 448	1 535 527	2 208 975	21.50		1989.02	666 713	540 781	1 207 494
Mount Gambier	URS	26 092	34	219	2 206 086	384 060	2 590 146	84.55		1753.70	2 184 025	559 182	2 743 207
Mount Remarkable	RAM	2785	3412	2067	1 684 311	354 486	2 038 797	604.78		171.50	1 667 467	354 601	2 022 068
Murray Bridge	URS	20 579	1824	974	3 158 146	461 017	3 619 163	153.46		473.32	3 137 772	860 700	3 998 472
Naracoorte Lucindale	RAL	8441	4531	1615	2 242 732	472 070	2 714 802	265.70		292.30	2 253 946	650 012	2 903 958
Nipapanha*	RTX	94	-	-	28 460	19 275	47 735	302.77		-	28 460	19 274	47 734
Northern Areas	RAM	4508	2974	2199	1 422 854	391 165	1 814 019	315.63		177.88	1 408 625	389 624	1 798 249
NPSF	UDM	36 868	15	160	758 314	355 044	1 113 358	20.57	#	2219.03	748 153	353 749	1 101 902
Onkaparinga	UFV	166 435	519	1464	5 556 657	2 277 853	7 834 510	33.39		1555.91	5 334 391	2 868 570	8 202 961
Orroroo/Carrieton	RAS	860	3306	1628	985 654	248 194	1 233 848	1146.11		152.45	975 797	247 259	1 223 056
OCA	RTL	3843	-	-	1 443 308	-	1 443 308	375.57		-	1 437 109	-	1 437 109
Peterborough	RAS	1785	3006	1231	1 350 512	239 327	1 589 839	756.59		194.42	1 337 007	237 229	1 574 236
Playford	UFL	85 069	344	817	8 695 679	1 223 312	9 918 991	102.22		1497.32	8 608 723	1 230 251	9 838 974
Port Adelaide Enfield	UDL	120 427	94	679	2 476 984	1 303 035	3 780 019	20.57	#	1919.05	2 466 097	1 932 623	4 398 720

Distribution to councils for 2014–15 and 2015–16 (continued)

Council name	Classi- fication	Population ^a No.	Council area sq km	Road length km	2014–15 actual entitlement				2015–16 estimated entitlement			
					General purpose	Local road	Total	General purpose \$ per capita	Local road \$ per km	General purpose	Local road	Total
Port Augusta	URS	14 605	1189	408	2 706 762	284 103	2 990 865	185.33	696.33	2 679 695	282 097	2 961 792
Port Lincoln	URS	14 732	32	158	1 101 484	220 929	1 322 413	74.77	1398.28	1 090 469	221 678	1 312 147
Port Pirie	RAV	17 625	1783	1175	3 999 210	419 581	4 418 791	226.91	357.09	3 959 218	454 384	4 413 602
Prospect	UDS	21 133	8	87	434 691	199 287	633 978	20.57	2290.66	428 764	198 628	627 392
Renmark Paringa	RAL	9346	900	479	2 578 187	212 955	2 791 142	275.86	444.58	2 552 405	211 024	2 763 429
Robe	RAS	1387	1098	435	29 770	105 080	134 850	21.46	241.56	29 472	105 216	134 688
Roxby Downs	URS	5031	109	39	103 479	77 943	181 422	20.57	1998.54	101 546	77 489	179 035
Salisbury	UDV	135 922	159	803	6 429 986	1 503 936	7 933 922	47.31	1872.90	6 301 386	1 515 792	7 817 178
Southern Mallee	RAM	2076	5702	1332	1 143 131	391 367	1 534 498	550.64	293.82	1 131 700	812 026	1 943 726
Streaky Bay	RAM	2245	6241	1733	1 491 448	1 027 919	2 519 367	664.34	593.14	1 476 534	449 359	1 925 893
Tatiara	RAL	6695	6525	1932	2 393 409	1 146 699	3 540 108	357.49	593.53	2 405 376	904 123	3 309 499
Tea Tree Gully	UDL	98 378	95	594	2 023 542	1 094 511	3 118 053	20.57	1842.61	1 989 244	1 186 669	3 175 913
Tumby Bay	RAM	2706	2670	1109	542 852	256 798	799 650	200.61	231.56	537 423	254 765	792 188
Unley	UDM	38 695	14	165	795 910	369 644	1 165 554	20.57	2240.27	787 303	368 870	1 156 173
Victor Harbor	URS	14 639	386	384	301 100	258 512	559 612	20.57	673.21	301 449	1 241 583	1 543 032
Wakefield	RAL	6826	3479	2685	1 801 913	516 332	2 318 245	263.98	192.30	1 810 922	514 296	2 325 218
Walkerville	UDS	7368	4	35	151 548	73 893	225 441	20.57	2111.23	149 352	73 575	222 927
Wattle Range	RAV	11 669	3946	2441	1 914 827	525 854	2 440 681	164.10	215.43	1 924 401	521 924	2 446 325
West Torrens	UDM	58 158	37	290	1 196 214	594 407	1 790 621	20.57	2049.68	1 183 053	767 960	1 951 013
Whyalla	URS	22 562	1072	280	3 923 960	384 640	4 308 600	173.92	1373.71	3 884 721	385 281	4 270 002
Wudinna	RAS	1283	5369	1712	1 248 237	385 209	1 633 446	972.90	225.01	1 235 754	638 819	1 874 573
Yalata*	RTX	297	-	64	159 694	41 852	201 546	537.69	653.94	159 694	41 852	201 546
Yankailia	RAM	4556	757	543	126 027	147 133	273 160	27.66	270.96	126 657	147 374	274 031
Yorke Peninsula	RAV	11 119	5946	3891	1 442 490	790 521	2 233 011	129.73	203.17	1 449 703	785 662	2 235 365
Tasmania												
Break O' Day	RAL	6430	3521	547	1 183 727	1 442 056	2 625 783	184.09	2636.30	1 188 372	1 447 557	2 635 929
Brighton	URS	15 813	171	178	1 103 542	521 170	1 624 712	69.79	2927.92	1 015 397	522 729	1 538 126
Burnie	URS	19 986	610	346	1 358 703	1 145 810	2 504 513	67.98	3311.59	1 222 833	1 118 071	2 340 904
Central Coast	URS	22 347	931	666	2 104 924	1 869 617	3 974 541	94.19	2807.23	2 044 365	1 823 057	3 867 422
Central Highlands	RAM	2355	7976	728	974 229	1 299 654	2 273 883	413.69	1785.24	926 420	1 397 510	2 323 930

Distribution to councils for 2014-15 and 2015-16 (continued)

Council name	Classi- fication	Population* No.	Council area sq km	Road length km	2014-15 actual entitlement				2015-16 estimated entitlement				
					General purpose	Local road	Total	General purpose \$ per capita	Min	Local road	General purpose	Local road	Total
Circular Head	RAL	8287	4891	770	1 203 605	1 770 661	2 974 266	145.24		2299.56	1 254 129	1 798 422	3 052 551
Clarence	UFM	53 582	377	472	1 102 674	1 557 551	2 660 225	20.58	#	3299.90	1 087 929	1 422 260	2 510 189
Denwent Valley	RAL	9886	4103	330	1 170 080	786 670	1 956 750	118.36		2383.85	1 173 378	817 419	1 990 797
Devonport	URS	25 628	111	276	756 692	1 224 341	1 981 033	29.53		4436.02	773 586	1 182 460	1 956 046
Dorset	RAL	7158	3223	739	1 763 794	1 737 467	3 501 261	246.41		2351.11	1 722 642	1 804 239	3 526 881
Flinders	RAS	784	1994	350	679 143	644 384	1 323 527	866.25		1841.10	617 671	690 991	1 308 662
George Town	RAL	6828	653	273	985 380	816 930	1 802 310	144.31		2992.42	971 262	794 773	1 766 035
Glamorgan - Spring Bay	RAM	4437	2587	351	426 255	856 855	1 283 110	96.07		2441.18	383 630	880 253	1 263 883
Glenorchy	UFM	45 537	121	324	937 115	1 414 832	2 351 947	20.58	#	4366.77	918 458	1 367 317	2 285 775
Hobart	UCC	50 473	78	310	1 038 694	1 680 462	2 719 156	20.58	#	5420.85	1 019 782	1 614 159	2 633 941
Huon Valley	RAV	16 159	5497	708	1 772 082	1 418 152	3 190 234	109.67		2003.04	1 943 415	1 484 366	3 427 781
Kentish	RAV	6495	1155	472	1 483 895	1 108 587	2 592 482	228.47		2348.70	1 461 461	1 110 071	2 571 532
King Island	RAS	1605	1094	433	752 655	851 349	1 604 004	468.94		1966.16	720 227	922 678	1 642 905
Kingborough	UFM	35 201	719	537	724 408	1 304 396	2 028 804	20.58	#	2429.04	713 032	1 321 459	2 034 491
Latrobe	RAV	10 655	600	285	687 971	725 798	1 413 769	64.57		2546.66	704 111	733 768	1 437 879
Launceston	URM	67 035	1411	767	1 379 526	2 843 290	4 222 816	20.58	#	3707.03	1 351 134	2 776 711	4 127 845
Meander Valley	RAV	19 543	3320	855	2 148 332	2 127 363	4 275 695	109.93		2488.14	2 088 320	2 030 397	4 128 717
Northern Midlands	RAV	12 754	5126	972	1 411 730	2 192 049	3 603 779	110.69		2255.19	1 270 557	2 194 915	3 465 472
Sorell	RAV	13 537	583	375	1 372 616	933 671	2 306 287	101.40		2489.79	1 235 354	928 209	2 163 563
Southern Midlands	RAL	6271	2611	803	1 805 201	1 435 206	3 240 407	287.86		1787.31	1 744 327	1 520 429	3 264 756
Tasman	RAM	2363	659	196	449 880	465 542	915 422	190.39		2375.21	428 713	475 799	904 512
Waratah - Wynyard	RAV	14 291	3526	540	1 591 274	1 279 728	2 871 002	111.35		2369.87	1 495 130	1 276 329	2 771 459
West Coast	RAM	4707	9574	195	1 234 642	630 793	1 865 435	262.30		3234.84	1 219 839	633 237	1 853 076
West Tamar	UFS	23 012	690	462	1 598 563	1 191 888	2 790 451	69.47		2579.84	1 838 347	1 185 211	3 023 558
Northern Territory													
Alice Springs	URS	28 945	327	245	765 212	958 075	1 723 287	26.44		3910.51	735 178	924 573	1 659 751
Barkly*	RTL	8119	322 693	498	1 734 505	272 263	2 006 768	213.64		546.71	1 770 097	423 864	2 193 961
Belyuen*	RTX	215	42	84	26 338	33 282	59 620	122.50		396.21	23 668	32 151	55 819
Central Desert*	RTL	4417	282 090	1775	886 243	863 035	1 749 278	200.64		486.22	988 197	831 430	1 819 627

Distribution to councils for 2014–15 and 2015–16 (continued)

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					General purpose \$	Local road \$	Total \$	General purpose \$ per capita	Min #	Local road \$ per km	General purpose \$	Local road \$	Total \$
Coomalie	RTM	1320	1512	166	28 119	407 365	435 484	21.30	#	2454.01	27 348	403 436	430 784
Darwin	UCC	82 310	142	513	1 753 414	1 836 401	3 589 815	21.30	#	3579.73	1 735 104	1 778 053	3 513 157
East Arnhem*	RTL	10 856	33 302	1070	3 414 290	1 174 333	4 588 623	314.51		1097.51	3 302 005	1 134 399	4 436 404
Katherine	URS	11 014	7421	185	372 463	632 855	1 005 318	33.82		3420.84	373 348	611 402	984 750
Litchfield	RAV	21 547	3072	744	459 006	2 544 349	3 003 355	21.30	#	3419.82	462 371	2 492 033	2 954 404
MacDonnell*	RTL	6974	268 784	1564	1 841 867	994 691	2 836 558	264.10		635.99	1 798 031	961 839	2 759 870
Palmerston	UFS	32 339	56	230	688 903	792 067	1 480 970	21.30	#	3443.77	711 499	795 741	1 507 240
Roper Gulf*	RTL	7273	185 176	702	1 891 499	804 262	2 695 761	260.07		1145.67	1 920 098	1 041 702	2 961 800
Tiwi Islands*	RTM	3118	7501	845	416 805	975 467	1 392 272	133.68		1154.40	411 439	942 296	1 353 735
Trust Account	ZZZ	-	-	2119	-	1 420 405	1 420 405	-		670.32	-	1 395 319	1 395 319
Victoria – Daly*	RTL	3405	153 000	462	425 399	855 936	1 281 335	124.93		1852.68	449 763	688 257	1 138 020
Wagait	RTX	437	6	17	9309	55 712	65 021	21.30	#	3277.18	9 018	53 818	62 836
West Arnhem*	RTL	7472	49 698	1222	1 364 846	1 184 580	2 549 426	182.66		969.38	1 244 216	1 157 190	2 401 406
West Daly*	RTL	3638	14 000	516	495 096	672 404	1 167 500	136.09		1303.11	502 963	809 327	1 312 290

Notes: a Population estimates as at 31 December 2013.

* Indigenous local governing body

APY = Anangu Pitjantjatjara Yankunytjatjara

NPSP = Norwood Payneham and St Peters

OCA = Outback Communities Authority

= Minimum grant

n/a = not applicable



E

Ranking of local governing bodies in 2014–15



In this appendix, the grant per capita is used as the basis for comparing relative need for the general purpose grants. For local road grants, allocation of grants for each council is divided by their length of local roads to obtain a relative expenditure needs measure. In Tables E-1 to E-7, councils within a state are sorted on the value of the general purpose grant per capita and the local road grants per kilometre. For each council, the table gives the ranking obtained for both grants. The Australian Classification of Local Government (ACLG) category for each council is also provided (see Appendix F). For each state and the Northern Territory, the position of the average general purpose grant per capita and the average local road grant per kilometre are also shown within the ranking of councils. These state averages are taken from Tables E-1 and E-2.

Key to symbols used in Tables E-1 to E-7. See Appendix F for a full explanation.

RAL	Rural Agricultural Large
RAM	Rural Agricultural Medium
RAS	Rural Agricultural Small
RAV	Rural Agricultural Very Large
RSG	Rural Significant Growth
RTL	Rural Remote Large
RTM	Rural Remote Medium
RTS	Rural Remote Small
RTX	Rural Remote Extra Small
UCC	Urban Capital City
UDL	Urban Developed Large
UDM	Urban Developed Medium
UDS	Urban Developed Small
UDV	Urban Developed Very Large
UFL	Urban Fringe Large
UFM	Urban Fringe Medium
UFS	Urban Fringe Small
UFV	Urban Fringe Very Large
URL	Urban Regional Large
URM	Urban Regional Medium
URS	Urban Regional Small
URV	Urban Regional Very Large

Table E-1 New South Wales councils ranked by grant funding 2014-15

<i>New South Wales councils ranked by funding per capita</i>				<i>New South Wales councils ranked by funding per kilometre</i>			
<i>General purpose grant</i>				<i>Local road grant</i>			
<i>Rank</i>	<i>Council name</i>	<i>Classification</i>	<i>\$ per capita</i>	<i>Rank</i>	<i>Council name</i>	<i>Classification</i>	<i>\$ per km</i>
1	Central Darling	RTM	1424.20	1	Sydney	UCC	3958.52
2	Brewarrina	RAS	1005.12	2	Waverley	UDL	3751.05
3	Bourke	RAM	995.94	3	Randwick	UDV	3346.86
4	Carrathool	RAM	989.94	4	Ashfield	UDM	3250.86
5	Conargo	RAS	961.17	5	Queanbeyan	URM	3237.70
6	Urana	RAS	936.40	6	Canterbury	UDV	3230.08
7	Balranald	RAM	871.74	7	North Sydney	UDM	3212.22
8	Jerilderie	RAS	856.26	8	Botany Bay	UDM	3199.92
9	Lachlan	RAL	685.85	9	Canada Bay	UDL	3142.31
10	Lockhart	RAM	667.54	10	Strathfield	UDM	3127.31
11	Bogan	RAM	662.66	11	Burwood	UDM	3027.98
12	Cobar	RTL	645.43	12	Woollahra	UDM	3016.54
13	Bland	RAL	638.45	13	Auburn	UDL	3002.40
14	Hay	RAM	628.64	14	Marrickville	UDL	2996.35
15	Wakool	RAM	555.80	15	Manly	UDM	2972.27
16	Walgett	RAL	554.43	16	Leichhardt	UDM	2966.06
17	Tibooburra	RTX	528.69	17	Rockdale	UDL	2960.79
18	Silverton Village	RTX	528.68	18	Parramatta	UDV	2939.41
19	Warren	RAM	499.76	19	Hurstville	UDL	2885.20
20	Coonamble	RAM	499.44	20	Kogarah	UDM	2871.65
21	Wentworth	RAL	497.66	21	Willoughby	UDL	2859.40
22	Lord Howe Island	RTX	485.62	22	Ryde	UDL	2831.91
23	Bombala	RAM	483.57	23	Bankstown	UDV	2792.08
24	Coolamon	RAM	459.43	24	Holroyd	UDL	2790.33
25	Murrumbidgee	RAM	448.40	25	Lane Cove	UDM	2760.08
26	Narrandera	RAL	432.58	26	Fairfield	UDV	2712.91
27	Gwydir	RAL	428.39	27	Mosman	UDS	2695.66
28	Gilgandra	RAM	427.62	28	Warringah	UDV	2694.47
29	Warrumbungle	RAL	403.91	29	Coffs Harbour	URL	2572.97
30	Weddin	RAM	400.10	30	Liverpool	UFV	2507.49
31	Tumbarumba	RAM	392.52	31	Blacktown	UDV	2497.46
32	Tenterfield	RAL	374.33	32	Albury	URM	2495.19
33	Narromine	RAL	372.84	33	Sutherland	UDV	2480.05
34	Harden	RAM	366.54	34	Campbelltown	UFV	2468.31
35	Berrigan	RAL	361.76	35	Wollongong	URV	2450.78
36	Boorowa	RAM	361.60	36	Pittwater	UDM	2431.09

New South Wales councils ranked by grant funding 2014–15 (continued)

<i>New South Wales councils ranked by funding per capita</i>				<i>New South Wales councils ranked by funding per kilometre</i>			
<i>General purpose grant</i>				<i>Local road grant</i>			
<i>Rank</i>	<i>Council name</i>	<i>Classification</i>	<i>\$ per capita</i>	<i>Rank</i>	<i>Council name</i>	<i>Classification</i>	<i>\$ per km</i>
37	Murray	RAL	339.77	37	Ku-ring-gai	UDL	2427.89
38	Temora	RAL	327.45	38	Tweed	URL	2426.79
39	Gundagai	RAM	325.24	39	Orange	URM	2418.31
40	Walcha	RAM	319.03	40	Hornsby	UFV	2404.30
41	Forbes	RAL	311.79	41	Hunters Hill	UDS	2339.64
42	Upper Lachlan	RAL	309.77	42	Newcastle	URV	2325.58
43	Narrabri	RAV	297.94	43	Broken Hill	URS	2292.80
44	Greater Hume	RAV	289.15	44	Shellharbour	URM	2246.95
45	Snowy River	RAL	287.47	45	Penrith	UFV	2246.51
46	Junee	RAL	283.89	46	Hills	UFV	2245.86
47	Oberon	RAL	279.41	47	Camden	UFM	2198.56
48	Deniliquin	URS	279.06	48	Gosford	UFV	2152.28
49	Wellington	RAL	274.35	49	Port Macquarie-Hastings	URL	2135.19
50	Corowa	RAV	273.74	50	Wyong	UFV	2093.63
51	Gloucester	RAM	272.72	51	Lake Macquarie	URV	2091.36
52	Moree Plains	RAV	267.56	52	Ballina	URM	2081.69
53	Cootamundra	RAL	263.36	53	Byron	URM	2071.42
54	Glen Innes Severn	RAL	261.85	54	Kiama	URS	2034.81
55	Liverpool Plains	RAL	257.69	55	Maitland	URL	1952.90
56	Cooma-Monaro	RAV	250.25	56	Shoalhaven	URL	1949.65
57	Guyra	RAM	249.56	57	Blue Mountains	UFL	1845.68
58	Leeton	RAV	247.48	58	Hawkesbury	UFM	1827.32
59	Kyogle	RAL	244.29	59	Port Stephens	URM	1826.96
60	Parkes	RAV	240.40	60	Wollondilly	UFM	1807.19
61	Cowra	RAV	229.17	61	Cessnock	URM	1771.82
62	Tumut	RAV	221.80	62	Lismore	URM	1718.19
63	Blayney	RAL	219.61	63	Deniliquin	URS	1708.74
64	Uralla	RAL	215.18	64	Nambucca	RAV	1700.72
65	Broken Hill	URS	211.91	65	Great Lakes	URM	1648.82
66	Inverell	RAV	204.95	66	Wingecarribee	URM	1645.36
67	Gunnedah	RAV	203.98	67	Eurobodalla	URM	1631.87
68	Bellingen	RAV	194.01	68	Kempsey	URS	1626.38
69	Young	RAV	186.22	69	Bellingen	RAV	1600.58
70	Cabonne	RAV	181.77	70	Singleton	URS	1581.33
71	Upper Hunter	RAV	175.60	71	Bega Valley	URM	1556.99
72	Lithgow	URS	162.03	72	Bathurst Regional	URM	1554.30

New South Wales councils ranked by grant funding 2014-15 (continued)

<i>New South Wales councils ranked by funding per capita</i>				<i>New South Wales councils ranked by funding per kilometre</i>			
<i>General purpose grant</i>				<i>Local road grant</i>			
<i>Rank</i>	<i>Council name</i>	<i>Classification</i>	<i>\$ per capita</i>	<i>Rank</i>	<i>Council name</i>	<i>Classification</i>	<i>\$ per km</i>
73	Dungog	RAL	160.19	73	Greater Taree	URM	1551.77
74	Mid-Western Regional	URS	156.71	74	Muswellbrook	RAV	1500.27
75	Muswellbrook	RAV	147.68	75	Clarence Valley	URM	1491.46
76	Bega Valley	URM	147.59	76	Richmond Valley	URS	1477.02
77	Great Lakes	URM	141.44	77	Dubbo	URM	1476.41
78	Clarence Valley	URM	139.92	78	Wagga Wagga	URM	1432.64
79	Richmond Valley	URS	139.88	79	Kyogle	RAL	1427.89
80	Eurobodalla	URM	133.78	80	Dungog	RAL	1415.42
81	Kempsey	URS	131.88	81	Goulburn Mulwaree	URS	1397.49
82	Griffith	URS	130.02		State average		1396.08
83	Nambucca	RAV	127.72	82	Armidale Dumaresq	URS	1367.74
84	Dubbo	URM	122.88	83	Lithgow	URS	1340.31
85	Wagga Wagga	URM	113.15	84	Tumut	RAV	1338.69
86	Goulburn Mulwaree	URS	110.49	85	Tamworth Regional	URM	1321.17
87	Bathurst Regional	URM	107.83	86	Gloucester	RAM	1313.12
88	Palerang	RAV	107.61	87	Palerang	RAV	1230.34
89	Armidale Dumaresq	URS	105.04	88	Griffith	URS	1214.08
90	Tamworth Regional	URM	103.69	89	Cootamundra	RAL	1204.80
91	Greater Taree	URM	100.65	90	Yass Valley	RAV	1188.71
92	Yass Valley	RAV	100.38	91	Glen Innes Severn	RAL	1179.53
93	Cessnock	URM	99.25	92	Mid-Western Regional	URS	1167.62
94	Albury	URM	98.34	93	Tumbarumba	RAM	1166.10
95	Lismore	URM	97.53	94	Blayney	RAL	1155.85
96	Singleton	URS	92.45	95	Upper Hunter	RAV	1153.87
97	Blue Mountains	UFL	86.69	96	Cooma-Monaro	RAV	1133.42
98	Orange	URM	85.16	97	Young	RAV	1132.65
99	Shoalhaven	URL	84.06	98	Snowy River	RAL	1131.83
100	Port Macquarie-Hastings	URL	81.23	99	Cowra	RAV	1126.44
101	Tweed	URL	74.66	100	Gundagai	RAM	1111.27
102	Wollongong	URV	73.50	101	Uralla	RAL	1107.72
103	Maitland	URL	72.03	102	Inverell	RAV	1099.54
104	Port Stephens	URM	71.93	103	Leeton	RAV	1097.53
105	Coffs Harbour	URL	69.48	104	Gunnedah	RAV	1091.42
106	Newcastle	URV	68.73	105	Cabonne	RAV	1077.52
	State average		68.59	106	Liverpool Plains	RAL	1070.59

New South Wales councils ranked by grant funding 2014–15 (continued)

<i>New South Wales councils ranked by funding per capita</i>				<i>New South Wales councils ranked by funding per kilometre</i>			
<i>General purpose grant</i>				<i>Local road grant</i>			
<i>Rank</i>	<i>Council name</i>	<i>Classification</i>	<i>\$ per capita</i>	<i>Rank</i>	<i>Council name</i>	<i>Classification</i>	<i>\$ per km</i>
107	Wyong	UFV	67.80	107	Greater Hume	RAV	1069.19
108	Lake Macquarie	URV	65.88	108	Tenterfield	RAL	1068.89
109	Wingecarribee	URM	59.16	109	Walcha	RAM	1063.87
110	Ballina	URM	59.06	110	Bombala	RAM	1063.14
111	Shellharbour	URM	57.74	111	Wakool	RAM	1061.88
112	Campbelltown	UFV	55.65	112	Corowa	RAV	1061.78
113	Queanbeyan	URM	48.84	113	Murray	RAL	1056.90
114	Gosford	UFV	48.01	114	Guyra	RAM	1050.91
115	Blacktown	UDV	47.75	115	Junee	RAL	1047.20
116	Penrith	UFV	47.12	116	Parkes	RAV	1039.71
117	Wollondilly	UFM	46.33	117	Harden	RAM	1038.28
118	Byron	URM	46.11	118	Wellington	RAL	1037.62
119	Kiama	URS	45.90	119	Forbes	RAL	1031.34
120	Fairfield	UDV	43.28	120	Oberon	RAL	1028.65
121	Parramatta	UDV	42.54	121	Upper Lachlan	RAL	1022.30
122	Hawkesbury	UFM	41.58	122	Moree Plains	RAV	1021.66
123	Liverpool	UFV	37.57	123	Narrabri	RAV	1021.18
124	Auburn	UDL	34.76	124	Berrigan	RAL	1012.15
125	Camden	UFM	32.78	125	Temora	RAL	1009.98
126	Holroyd	UDL	30.60	126	Walgett	RAL	1009.76
127	Marrickville	UDL	29.15	127	Warrumbungle	RAL	1006.73
128	Canterbury	UDV	28.66	128	Warren	RAM	1005.79
129	Bankstown	UDV	27.42	129	Gilgandra	RAM	1004.81
130	Sydney	UCC	21.32	130	Boorowa	RAM	1001.22
131	Ashfield	UDM	21.19	131	Lockhart	RAM	1001.05
132	Hunters Hill	UDS	20.58	132	Coonamble	RAM	987.77
133	Woollahra	UDM	20.58	133	Narromine	RAL	986.20
134	Pittwater	UDM	20.58	134	Gwydir	RAL	985.35
135	Lane Cove	UDM	20.58	135	Narrandera	RAL	979.68
136	Kogarah	UDM	20.58	136	Weddin	RAM	975.30
137	Burwood	UDM	20.58	137	Bogan	RAM	973.32
138	Strathfield	UDM	20.58	138	Wentworth	RAL	969.15
139	Hurstville	UDL	20.58	139	Murrumbidgee	RAM	967.53
140	Botany Bay	UDM	20.58	140	Hay	RAM	966.27
141	Mosman	UDS	20.58	141	Brewarrina	RAS	954.64
142	North Sydney	UDM	20.58	142	Urana	RAS	953.19

New South Wales councils ranked by grant funding 2014-15 (continued)

<i>New South Wales councils ranked by funding per capita</i>				<i>New South Wales councils ranked by funding per kilometre</i>			
<i>General purpose grant</i>				<i>Local road grant</i>			
<i>Rank</i>	<i>Council name</i>	<i>Classification</i>	<i>\$ per capita</i>	<i>Rank</i>	<i>Council name</i>	<i>Classification</i>	<i>\$ per km</i>
143	Waverley	UDL	20.58	143	Coolamon	RAM	951.05
144	Rockdale	UDL	20.58	144	Cobar	RTL	948.60
145	Manly	UDM	20.58	145	Jerilderie	RAS	947.04
146	Ryde	UDL	20.58	146	Lachlan	RAL	942.63
147	Leichhardt	UDM	20.58	147	Bourke	RAM	941.45
148	Willoughby	UDL	20.58	148	Bland	RAL	938.54
149	Canada Bay	UDL	20.58	149	Conargo	RAS	935.18
150	Hornsby	UFV	20.58	150	Carrathool	RAM	931.49
151	Randwick	UDV	20.58	151	Balranald	RAM	925.63
152	Ku-ring-gai	UDL	20.58	152	Central Darling	RTM	924.40
153	Warringah	UDV	20.58	153	Tibooburra	RTX	-
154	Hills	UFV	20.58	154	Silverton Village	RTX	-
155	Sutherland	UFV	20.58	155	Lord Howe Island	RTX	-

Table E-2 Victorian councils ranked by grant funding 2014–15

<i>Victorian councils ranked by funding per capita</i>				<i>Victorian councils ranked by funding per kilometre</i>			
<i>General purpose grant</i>				<i>Local road grant</i>			
<i>Rank</i>	<i>Council name</i>	<i>Classification</i>	<i>\$ per capita</i>	<i>Rank</i>	<i>Council name</i>	<i>Classification</i>	<i>\$ per km</i>
1	West Wimmera	RAM	666.18	1	Melbourne	UCC	3232.48
2	Loddon	RAL	577.97	2	Greater Dandenong	UDV	2048.97
3	Buloke	RAL	518.29	3	Warrnambool	URM	2022.47
4	Hindmarsh	RAL	441.97	4	Kingston	UDV	1996.54
5	Pyrenees	RAL	436.96	5	Yarra Ranges	UFV	1968.34
6	Yarriambiack	RAL	411.62	6	Port Phillip	UDL	1852.06
7	Towong	RAL	386.57	7	Yarra	UDL	1818.73
8	Northern Grampians	RAV	329.99	8	Brimbank	UDV	1813.25
9	Gannawarra	RAV	304.98	9	Hume	UFV	1789.94
10	Strathbogie	RAL	296.21	10	Wodonga	URM	1766.75
11	Ararat	RAV	281.76	11	Moreland	UDV	1746.84
12	Southern Grampians	RAV	237.91	12	Darebin	UDV	1741.05
13	Corangamite	RAV	232.77	13	Banyule	UDV	1663.54
14	Moyne	RAV	223.58	14	Cardinia	UFL	1638.98
15	Mansfield	RAL	221.29	15	South Gippsland	URS	1630.13
16	East Gippsland	URM	212.99	16	Melton	UFV	1606.84
17	Moira	URS	210.58	17	Hobsons Bay	UDL	1599.10
18	Glenelg	RAV	200.76	18	Moonee Valley	UDL	1592.27
19	Murrindindi	RAV	198.65	19	Whittlesea	UFV	1570.46
20	Swan Hill	URS	197.18	20	Colac Otway	URS	1563.28
21	Central Goldfields	RAV	196.81	21	Ballarat	URL	1561.38
22	Alpine	RAV	196.60	22	Stonnington	UDL	1556.21
23	Campaspe	URM	192.52	23	Maribyrnong	UDL	1552.62
24	Hepburn	RAV	190.52	24	Latrobe	URL	1552.16
25	Horsham	RAV	184.37	25	Maroondah	UDL	1549.50
26	South Gippsland	URS	183.54	26	Monash	UDV	1542.12
27	Mildura	URM	180.32	27	East Gippsland	URM	1530.26
28	Wellington	URM	179.43	28	Frankston	UDV	1497.85
29	Indigo	RAV	179.31	29	Wellington	URM	1493.61
30	Benalla	RAV	177.18	30	Greater Geelong	URV	1484.83
31	Colac Otway	URS	166.42	31	Wyndham	UFV	1478.51
32	Golden Plains	URS	161.06	32	Bass Coast	URM	1455.63
33	Mount Alexander	RAV	157.98	33	Bayside	UDL	1445.80
34	Wangaratta	URS	155.51	34	Knox	UDV	1445.12
35	Bass Coast	URM	134.98	35	Boroondara	UDV	1444.78
36	Greater Shepparton	URM	134.54	36	Nillumbik	UFM	1436.69

Victorian councils ranked by grant funding 2014-15 (continued)

Victorian councils ranked by funding per capita				Victorian councils ranked by funding per kilometre			
General purpose grant				Local road grant			
Rank	Council name	Classification	\$ per capita	Rank	Council name	Classification	\$ per km
37	Moorabool	URM	129.77	37	Casey	UDV	1428.31
38	Mitchell	URM	125.93	38	Whitehorse	UDV	1402.02
39	Baw Baw	URM	125.53	39	Corangamite	RAV	1376.21
40	Latrobe	URL	120.88	40	Mornington Peninsula	UFV	1369.94
41	Greater Bendigo	URL	111.14	41	Alpine	RAV	1365.78
42	Macedon Ranges	URM	104.26	42	Murrindindi	RAV	1356.58
43	Wodonga	URM	102.26	43	Glen Eira	UDV	1354.90
44	Ballarat	URL	100.45	44	Moyne	RAV	1351.92
45	Melton	UFV	89.29	45	Baw Baw	URM	1311.01
46	Cardinia	UFL	87.22	46	Surf Coast	UFS	1297.65
47	Warrnambool	URM	86.49	47	Manningham	UDL	1276.95
48	Surf Coast	UFS	78.85	48	Glenelg	RAV	1210.13
49	Greater Geelong	URV	73.31	49	Macedon Ranges	URM	1203.52
50	Yarra Ranges	UFV	71.51	50	Moorabool	URM	1196.94
	State average		68.53	51	Queenscliffe	UFS	1196.37
51	Queenscliffe	UFS	66.33	52	Wangaratta	URS	1167.76
52	Wyndham	UFV	64.65	53	Greater Shepparton	URM	1166.85
53	Greater Dandenong	UDV	63.63	54	Mansfield	RAL	1152.80
54	Brimbank	UDV	60.71	55	Mitchell	URM	1147.03
55	Whittlesea	UFV	59.41	56	Towong	RAL	1135.36
56	Hume	UFV	59.00	57	Golden Plains	URS	1056.43
57	Frankston	UDV	56.75	58	Greater Bendigo	URL	1051.76
58	Casey	UDV	55.52	59	Southern Grampians	RAV	1048.87
59	Knox	UDV	42.29	60	Mount Alexander	RAV	1047.60
60	Maroondah	UDL	41.46	61	Indigo	RAV	1045.90
61	Nillumbik	UFM	35.36	62	Campaspe	URM	1042.83
62	Moreland	UDV	31.61	63	Benalla	RAV	1034.92
63	Maribyrnong	UDL	31.42		State average		1116.57
64	Banyule	UDV	29.31	64	Moira	URS	1010.17
65	Darebin	UDV	27.58	65	Hepburn	RAV	999.16
66	Mornington Peninsula	UFV	27.46	66	Pyrenees	RAL	994.81
67	Port Phillip	UDL	20.56	67	Ararat	RAV	948.68
68	Moonee Valley	UDL	20.56	68	Strathbogie	RAL	936.54
69	Yarra	UDL	20.56	69	Central Goldfields	RAV	872.19
70	Whitehorse	UDV	20.56	70	Gannawarra	RAV	863.57

Victorian councils ranked by grant funding 2014–15 (continued)

Victorian councils ranked by funding per capita				Victorian councils ranked by funding per kilometre			
General purpose grant				Local road grant			
Rank	Council name	Classification	\$ per capita	Rank	Council name	Classification	\$ per km
71	Kingston	UDV	20.56	71	West Wimmera	RAM	790.44
72	Stonnington	UDL	20.56	72	Northern Grampians	RAV	778.75
73	Monash	UDV	20.56	73	Mildura	URM	724.22
74	Glen Eira	UDV	20.56	74	Loddon	RAL	722.89
75	Bayside	UDL	20.56	75	Horsham	RAV	694.83
76	Melbourne	UCC	20.56	76	Swan Hill	URS	589.41
77	Hobsons Bay	UDL	20.56	77	Hindmarsh	RAL	486.87
78	Boroondara	UDV	20.56	78	Buloke	RAL	421.75
79	Manningham	UDL	20.56	79	Yarriambiack	RAL	392.88

Table E-3 Queensland councils ranked by grant funding 2014-15

Queensland councils ranked by funding per capita				Queensland councils ranked by funding per kilometre			
General purpose grant				Local road grant			
Rank	Council name	Classification	\$ per capita	Rank	Council name	Classification	\$ per km
1	Bulloo	RTS	11 336.22	1	Brisbane	UCC	2641.43
2	Croydon	RTX	8401.42	2	Redland	URV	2011.18
3	Barcoo	RTX	7787.12	3	Gold Coast	URV	1954.81
4	Diamantina	RTX	7673.03	4	Logan	URV	1938.08
5	Burke	RTS	4383.85	5	Cairns	URV	1800.46
6	Boulia	RTS	4345.91	6	Moreton Bay	URV	1761.65
7	McKinlay	RTM	3934.80	7	Townsville	URV	1724.51
8	Etheridge	RTS	3843.63	8	Ipswich	URV	1716.91
9	Richmond	RTS	3821.83	9	Sunshine Coast	URV	1524.58
10	Quilpie	RTS	3655.90	10	Palm Island	RTM	1257.44
11	Mapoon Aboriginal Shire Council	RTX	3391.65	11	Noosa	URM	1177.89
12	Winton	RTM	2924.45	12	Yarrabah	RTM	1104.86
13	Lockhart River	RTS	2626.36	13	Mackay	URV	1059.78
14	Flinders	RTM	2522.33	14	Rockhampton	URL	977.30
15	Torres Strait Island	RTL	2196.54	15	Torres	RTL	879.14
16	Paroo	RTM	1805.96	16	Bundaberg	URL	870.59
17	Carpentaria	RTM	1694.03	17	Douglas	RAV	865.47
18	Pompuraaw	RTS	1649.58		State average		860.24
19	Cook	RAM	1593.31	18	Fraser Coast	URL	823.43
20	Barcaldine	RTL	1462.85	19	Lockyer Valley	URM	818.08
21	Wujal Wujal	RTX	1455.32	20	Livingstone	UFM	803.10
22	Longreach	RTL	1432.77	21	Gladstone	URM	800.87
23	Northern Peninsula Area	RTM	1352.68	22	Cassowary Coast	URS	800.25
24	Aurukun	RTM	1304.79	23	Scenic Rim	UFM	765.86
25	Cloncurry	RAM	1246.21	24	Gympie	URM	762.54
26	Blackall-Tambo	RTM	1194.81	25	Toowoomba	URV	750.50
27	Kowanyama	RTM	1165.03	26	Cherbourg	RTM	733.94
28	Mornington	RTM	1124.14	27	Whitsunday	URM	733.70
29	Murweh	RTL	1060.60	28	Hinchinbrook	RAV	718.29
30	Napranum	RTS	1026.59	29	Aurukun	RTM	714.91
31	Maranoa	RAV	916.66	30	Burdekin	RAV	705.31
32	Doomadgee	RTM	814.49	31	Tablelands	URS	685.12
33	Hope Vale	RTM	814.36	32	Wujal Wujal	RTX	676.95
34	North Burnett	RAV	810.11	33	Woorabinda	RTS	671.80
35	Torres	RTL	760.81	34	Torres Strait Island	RTL	671.06

Queensland councils ranked by grant funding 2014–15 (continued)

<i>Queensland councils ranked by funding per capita</i>				<i>Queensland councils ranked by funding per kilometre</i>			
<i>General purpose grant</i>				<i>Local road grant</i>			
<i>Rank</i>	<i>Council name</i>	<i>Classification</i>	<i>\$ per capita</i>	<i>Rank</i>	<i>Council name</i>	<i>Classification</i>	<i>\$ per km</i>
36	Balonne	RAM	690.51	35	Somerset	UFS	669.67
37	Woorabinda	RTS	454.30	36	Doomadgee	RTM	669.33
38	Palm Island	RTM	410.97	37	Southern Downs	URM	663.19
39	Western Downs	URM	408.18	38	Mount Isa	URS	658.54
40	Goondiwindi	RAV	390.70	39	South Burnett	URM	645.45
41	Cherbourg	RTM	387.82	40	Hope Vale	RTM	639.46
42	Banana	RAV	369.25	41	Mareeba	URS	637.73
43	Charters Towers	RAV	345.92	42	Mapoon Aboriginal Shire Council	RTX	627.23
44	Yarrabah	RTM	291.50	43	Isaac	URS	619.25
45	Mareeba	URS	226.46	44	Northern Peninsula Area	RTM	614.94
46	Central Highlands	URM	192.34	45	Central Highlands	URM	610.87
47	Mount Isa	URS	176.18	46	Napranum	RTS	597.52
48	Tablelands	URS	160.20	47	Mornington	RTM	594.31
49	South Burnett	URM	151.73	48	Goondiwindi	RAV	587.54
50	Southern Downs	URM	140.24	49	Western Downs	URM	587.52
51	Burdekin	RAV	136.25	50	Banana	RAV	581.18
52	Hinchinbrook	RAV	129.49	51	Kowanyama	RTM	573.92
53	Isaac	URS	125.15	52	Charters Towers	RAV	573.31
54	Whitsunday	URM	97.19	53	North Burnett	RAV	567.02
55	Somerset	UFS	93.49	54	Maranoa	RAV	565.38
56	Douglas	RAV	87.88	55	Cloncurry	RAM	563.50
57	Gladstone	URM	87.26	56	Balonne	RAM	562.81
58	Lockyer Valley	URM	77.87	57	Murweh	RTL	558.70
59	Cassowary Coast	URS	76.20	58	Cook	RAM	557.91
60	Livingstone	UFM	74.13	59	Lockhart River	RTS	557.35
61	Gympie	URM	71.85	60	Longreach	RTL	555.36
	State average		68.58	61	Pormpuraaw	RTS	554.15
62	Toowoomba	URV	63.51	62	Carpentaria	RTM	554.08
63	Rockhampton	URL	60.22	63	Blackall-Tambo	RTM	553.90
64	Bundaberg	URL	52.93	64	Barcaldine	RTL	551.78
65	Scenic Rim	UFM	43.44	65	Flinders	RTM	550.29
66	Fraser Coast	URL	43.02	66	Paroo	RTM	549.41
67	Mackay	URV	31.03	67	Burke	RTS	548.84
68	Townsville	URV	21.49	68	Richmond	RTS	547.72
69	Noosa	URM	20.57	69	Winton	RTM	546.45
70	Brisbane	UCC	20.57	70	McKinlay	RTM	546.41

Queensland councils ranked by grant funding 2014-15 (continued)

<i>Queensland councils ranked by funding per capita</i>				<i>Queensland councils ranked by funding per kilometre</i>			
<i>General purpose grant</i>				<i>Local road grant</i>			
<i>Rank</i>	<i>Council name</i>	<i>Classi- fication</i>	<i>\$ per capita</i>	<i>Rank</i>	<i>Council name</i>	<i>Classi- fication</i>	<i>\$ per km</i>
71	Logan	URV	20.57	71	Etheridge	RTS	546.14
72	Ipswich	URV	20.57	72	Quilpie	RTS	545.70
73	Redland	URV	20.57	73	Boulia	RTS	544.56
74	Gold Coast	URV	20.57	74	Croydon	RTX	543.75
75	Moreton Bay	URV	20.57	75	Diamantina	RTX	543.31
76	Cairns	URV	20.57	76	Barcoo	RTX	542.93
77	Sunshine Coast	URV	20.57	77	Bulloo	RTS	542.81

Table E-4 Western Australian councils ranked by grant funding 2014–15

<i>Western Australian councils ranked by funding per capita</i>				<i>Western Australian councils ranked by funding per kilometre</i>			
<i>General purpose grant</i>				<i>Local road grant</i>			
<i>Rank</i>	<i>Council name</i>	<i>Classification</i>	<i>\$ per capita</i>	<i>Rank</i>	<i>Council name</i>	<i>Classification</i>	<i>\$ per km</i>
1	Murchison	RTX	20 030.36	1	Perth	UCC	4465.43
2	Sandstone	RTX	12 772.26	2	Bunbury	URM	2636.22
3	Upper Gascoyne	RTX	10 030.85	3	Vincent	UDM	2528.47
4	Cue	RTX	4124.49	4	Canning	UDL	2383.52
5	Menzies	RTS	4033.25	5	Subiaco	UDS	2373.61
6	Nungarin	RAS	3954.27	6	Narrogin (Town)	URS	2299.57
7	Yalgoo	RTS	3808.73	7	Belmont	UDM	2294.31
8	Trayning	RAS	2938.57	8	Bassendean	UDS	2270.49
9	Mount Marshall	RAS	2901.00	9	Peppermint Grove	UDS	2233.89
10	Koorda	RAS	2737.56	10	Fremantle	UDS	2218.21
11	Westonia	RAS	2568.65	11	Claremont	UDS	2177.60
12	Mukinbudin	RAS	2223.11	12	Cambridge	UDS	2173.41
13	Ngaanyatjarraku	RTM	2028.86	13	Cottesloe	UDS	2162.68
14	Wyalkatchem	RAS	1876.69	14	Roebourne	URS	2159.43
15	Tammin	RAS	1873.11	15	Gosnells	UFL	2143.43
16	Mount Magnet	RTS	1845.11	16	Victoria Park	UDM	2141.24
17	Meekatharra	RTM	1553.02	17	Bayswater	UDM	2119.67
18	Shark Bay	RTS	1538.42	18	Stirling	UDV	2086.27
19	Carnamah	RAS	1528.68	19	South Perth	UDM	2074.28
20	Dumblebung	RAS	1491.84	20	Nedlands	UDS	2063.79
21	Bruce Rock	RAS	1476.64	21	Joondalup	UDV	2051.26
22	Narembeen	RAS	1421.55	22	Melville	UDL	2020.18
23	Wickepin	RAS	1257.17	23	Armadale	UFM	1963.38
24	Wiluna	RTM	1246.82	24	East Fremantle	UDS	1949.92
25	Dowerin	RAS	1218.70	25	Wanneroo	UFV	1917.87
26	Woodanilling	RAS	1183.99	26	Mosman Park	UDS	1916.16
27	Laverton	RTM	1135.21	27	Donnybrook-Balingup	RAL	1874.45
28	Perenjori	RAS	1092.01	28	Rockingham	UDL	1866.58
29	Morawa	RAS	1083.55	29	Swan	UFL	1852.88
30	Dalwallinu	RAS	1072.03	30	Cockburn	UDL	1846.12
31	Kellerberrin	RAS	1043.49	31	Mandurah	UFM	1823.55
32	Kent	RAS	1008.16	32	Kwinana	UFM	1802.44
33	Quairading	RAS	996.48	33	Kalamunda	UFM	1777.95
34	Kulin	RAS	992.99	34	Nannup	RAS	1773.07
35	Broomehill - Tambellup	RAS	971.36	35	Broome	RTL	1648.73

Western Australian councils ranked by grant funding 2014-15 (continued)

<i>Western Australian councils ranked by funding per capita</i>				<i>Western Australian councils ranked by funding per kilometre</i>			
<i>General purpose grant</i>				<i>Local road grant</i>			
<i>Rank</i>	<i>Council name</i>	<i>Classification</i>	<i>\$ per capita</i>	<i>Rank</i>	<i>Council name</i>	<i>Classification</i>	<i>\$ per km</i>
36	Dundas	RTM	964.76	36	Dardanup	RAV	1611.71
37	Corrigin	RAS	947.77	37	Mundaring	UFM	1569.32
38	Halls Creek	RTL	869.13	38	Murray	RAV	1528.32
39	Kondinin	RAS	847.81	39	Exmouth	RTM	1422.64
40	Three Springs	RAS	780.28	40	Port Hedland	RTL	1329.50
41	Coorow	RAS	752.63	41	Kellerberrin	RAS	1311.94
42	Wongan-Ballidu	RAS	711.72	42	Busselton	URM	1284.71
43	Lake Grace	RAS	703.47	43	Harvey	URS	1268.32
44	Pingelly	RAS	670.56	44	Serpentine-Jarrahdale	RSG	1218.24
45	Cunderdin	RAS	668.76	45	Manjimup	RAL	1213.44
46	Narrogin	RAS	648.78	46	Augusta-Margaret River	RAV	1210.29
47	Cuballing	RAS	631.02	47	Kalgoorlie/Boulder	URM	1197.84
48	Nannup	RAS	629.14	48	Collie	RAL	1191.55
49	Carnarvon	RAL	599.46	49	Wyndham-East Kimberley	RTL	1143.02
50	Brookton	RAS	594.87	50	Waroona	RAM	1114.46
51	Cranbrook	RAS	577.39	51	Capel	RSG	1113.13
52	Wandering	RAS	573.71	52	Albany	URM	1097.44
53	Exmouth	RTM	571.21	53	Northam	RAV	1021.16
54	Mingenew	RAS	552.94	54	Chittering	RAM	1006.27
55	Jerramungup	RAS	534.42	55	Boyup Brook	RAS	989.93
56	Beverley	RAS	516.15	56	Gingin	RAM	961.92
57	Gnowangerup	RAS	489.33	57	Bridgetown-Greenbushes	RAM	956.31
58	West Arthur	RAS	454.35	58	Broomehill - Tambellup	RAS	945.27
59	Wagin	RAS	451.88	59	Cranbrook	RAS	938.43
60	Merredin	RAM	444.87	60	Greater Geraldton	URM	928.13
61	Victoria Plains	RAS	443.78	61	Ngaanyatjarraku	RTM	903.39
62	Derby-West Kimberley	RTL	423.95	62	York	RAM	893.32
63	Ravensthorpe	RAM	419.05	63	Toodyay	RAM	854.11
64	Yilgarn	RAS	418.26		State average		841.60
65	Goomalling	RAS	364.92	64	Bruce Rock	RAS	809.62
66	Kojonup	RAM	357.59	65	Boddington	RAM	749.18
67	Katanning	RAM	331.59	66	Halls Creek	RTL	749.10
68	Wyndham-East Kimberley	RTL	318.98	67	East Pilbara	RTL	742.57

Western Australian councils ranked by grant funding 2014–15 (continued)

<i>Western Australian councils ranked by funding per capita</i>				<i>Western Australian councils ranked by funding per kilometre</i>			
<i>General purpose grant</i>				<i>Local road grant</i>			
<i>Rank</i>	<i>Council name</i>	<i>Classification</i>	<i>\$ per capita</i>	<i>Rank</i>	<i>Council name</i>	<i>Classification</i>	<i>\$ per km</i>
69	Ashburton	RTL	308.41	68	Williams	RAS	741.62
70	Moora	RAM	299.41	69	Beverley	RAS	738.09
71	Manjimup	RAL	276.76	70	Carnarvon	RAL	737.96
72	Boyup Brook	RAS	268.23	71	Shark Bay	RTS	735.38
73	Chapman Valley	RAS	265.71	72	Irwin	RAM	732.35
74	Bridgetown-Greenbushes	RAM	262.45	73	Wandering	RAS	724.45
75	Narrogin (Town)	URS	247.17	74	Moora	RAM	717.19
76	Waroona	RAM	235.71	75	Denmark	RSG	708.18
77	East Pilbara	RTL	235.70	76	Dandaragan	RAM	706.93
78	Northampton	RAM	233.63	77	Katanning	RAM	698.35
79	York	RAM	232.91	78	Mingenew	RAS	679.02
80	Dandaragan	RAM	222.25	79	Esperance	RAV	648.43
81	Northam	RAV	215.70	80	Northampton	RAM	641.11
82	Leonora	RTM	214.74	81	Three Springs	RAS	639.29
83	Donnybrook-Balingup	RAL	209.35	82	Victoria Plains	RAS	637.18
84	Toodyay	RAM	198.60	83	Plantagenet	RAM	635.46
85	Gingin	RAM	165.59	84	Merredin	RAM	633.00
86	Esperance	RAV	144.20	85	Cunderdin	RAS	629.85
87	Chittering	RAM	138.95	86	Quairading	RAS	629.58
88	Collie	RAL	133.86	87	Brookton	RAS	618.21
89	Plantagenet	RAM	132.76	88	Dumbleyung	RAS	617.45
90	Williams	RAS	123.50	89	Pingelly	RAS	607.41
91	Coolgardie	RTL	121.50	90	Derby-West Kimberley	RTL	605.00
92	Broome	RTL	118.48	91	Ashburton	RTL	604.31
93	Denmark	RSG	103.79	92	Coorow	RAS	604.14
94	Port Hedland	RTL	97.34	93	Corrigin	RAS	603.69
95	Greater Geraldton	URM	93.89	94	Wagin	RAS	600.93
96	Boddington	RAM	79.75	95	Carnamah	RAS	600.47
97	Roebourne	URS	76.66	96	Gnowangerup	RAS	599.63
98	Irwin	RAM	74.91	97	Goomalling	RAS	597.64
99	Serpentine-Jarrahdale	RSG	74.29	98	Dundas	RTM	595.50
	State average		68.35	99	Trayning	RAS	591.80
100	Murray	RAV	65.31	100	Wyalkatchem	RAS	590.28
101	Dardanup	RAV	63.34	101	Coolgardie	RTL	588.92

Western Australian councils ranked by grant funding 2014-15 (continued)

<i>Western Australian councils ranked by funding per capita</i>				<i>Western Australian councils ranked by funding per kilometre</i>			
<i>General purpose grant</i>				<i>Local road grant</i>			
<i>Rank</i>	<i>Council name</i>	<i>Classification</i>	<i>\$ per capita</i>	<i>Rank</i>	<i>Council name</i>	<i>Classification</i>	<i>\$ per km</i>
102	Capel	RSG	61.55	102	Wongan-Ballidu	RAS	581.86
103	Harvey	URS	60.81	103	Kojonup	RAM	581.34
104	Albany	URM	58.30	104	Ravensthorpe	RAM	580.03
105	Mundaring	UFM	45.26	105	Dalwallinu	RAS	577.12
106	Armadale	UFM	24.48	106	Cuballing	RAS	574.20
107	Kalgoorlie/Boulder	URM	23.07	107	Chapman Valley	RAS	573.14
108	Peppermint Grove	UDS	20.51	108	Nungarin	RAS	572.96
109	East Fremantle	UDS	20.50	109	West Arthur	RAS	571.77
110	Cottesloe	UDS	20.50	110	Tammin	RAS	570.47
111	Claremont	UDS	20.50	111	Koorda	RAS	568.20
112	South Perth	UDM	20.50	112	Wickepin	RAS	567.74
113	Kwinana	UFM	20.50	113	Perenjori	RAS	566.95
114	Fremantle	UDS	20.50	114	Woodanilling	RAS	566.14
115	Augusta-Margaret River	RAV	20.50	115	Cue	RTX	566.05
116	Canning	UDL	20.50	116	Narrogin	RAS	563.38
117	Bayswater	UDM	20.50	117	Mukinbudin	RAS	563.19
118	Victoria Park	UDM	20.50	118	Kulin	RAS	558.85
119	Wanneroo	UFV	20.50	119	Morawa	RAS	557.07
120	Joondalup	UDV	20.50	120	Dowerin	RAS	556.46
121	Rockingham	UDL	20.50	121	Westonia	RAS	555.54
122	Belmont	UDM	20.50	122	Jerramungup	RAS	546.64
123	Cockburn	UDL	20.50	123	Narembeen	RAS	545.94
124	Mandurah	UFM	20.50	124	Lake Grace	RAS	541.20
125	Stirling	UDV	20.50	125	Kondinin	RAS	540.38
126	Vincent	UDM	20.50	126	Kent	RAS	519.13
127	Subiaco	UDS	20.50	127	Mount Magnet	RTS	518.02
128	Gosnells	UFL	20.50	128	Yalgoo	RTS	491.47
129	Swan	UFL	20.50	129	Mount Marshall	RAS	485.43
130	Melville	UDL	20.50	130	Leonora	RTM	485.15
131	Nedlands	UDS	20.50	131	Sandstone	RTX	461.43
132	Busselton	URM	20.50	132	Upper Gascoyne	RTX	460.36
133	Cambridge	UDS	20.50	133	Meekatharra	RTM	443.18
134	Kalamunda	UFM	20.50	134	Murchison	RTX	439.12
135	Mosman Park	UDS	20.50	135	Wiluna	RTM	428.63
136	Bunbury	URM	20.50	136	Yilgarn	RAS	420.06
137	Perth	UCC	20.50	137	Menzies	RTS	363.63
138	Bassendean	UDS	20.50	138	Laverton	RTM	215.50

Table E-5 South Australian councils ranked by grant funding 2014–15

South Australian councils ranked by funding per capita				South Australian councils ranked by funding per kilometre			
General purpose grant				Local road grant			
Rank	Council name	Classification	\$ per capita	Rank	Council name	Classification	\$ per km
1	Maralinga	RTX	1236.01	1	Gawler	UFS	4708.57
2	Karoonda-East Murray	RAS	1208.01	2	Prospect	UDS	2290.66
3	Orroroo/Carrieton	RAS	1146.11	3	Unley	UDM	2240.27
4	Wudinna	RAS	972.90	4	Norwood Payneham and St Peters	UDM	2219.03
5	Kimba	RAS	926.16	5	Holdfast Bay	UDM	2123.10
6	Franklin Harbour	RAS	848.82	6	Walkerville	UDS	2111.23
7	Peterborough	RAS	756.59	7	West Torrens	UDM	2049.68
8	Flinders Ranges	RAS	743.02	8	Campbelltown	UDM	2044.89
9	Elliston	RAS	696.46	9	Charles Sturt	UDL	2010.84
10	Streaky Bay	RAM	664.34	10	Roxby Downs	URS	1998.54
11	Goyder	RAM	638.56	11	Mount Barker	URM	1989.02
12	Mount Remarkable	RAM	604.78	12	Burnside	UDM	1984.62
13	Ceduna	RAM	567.95	13	Marion	UDL	1961.83
14	Southern Mallee	RAM	550.64	14	Adelaide	UCC	1936.81
15	Yalata	RTX	537.69	15	Port Adelaide Enfield	UDL	1919.05
16	Cleve	RAS	534.70	16	Salisbury	UDV	1872.90
17	Cooper Pedy	URS	459.47	17	Mitcham	UDM	1842.79
18	Coorong	RAL	439.10	18	Tea Tree Gully	UDL	1842.61
19	Anangu Pitjantjatjara	RTM	415.81	19	Mount Gambier	URS	1753.70
20	Mid Murray	RAL	380.15	20	Onkaparinga	UFV	1555.91
21	Outback Communities Authority	RTL	375.57	21	Playford	UFL	1497.32
22	Tatiara	RAL	357.49	22	Port Lincoln	URS	1398.28
23	Loxton Waikerie	RAV	318.94	23	Whyalla	URS	1373.71
24	Northern Areas	RAM	315.63	24	Flinders Ranges	RAS	1070.96
25	Kangaroo Island	RAM	314.88	25	Karoonda-East Murray	RAS	869.99
26	Nipapanha	RTX	302.77	26	Port Augusta	URS	696.33
27	Renmark Paringa	RAL	275.86	27	Victor Harbor	URS	673.21
28	Naracoorte Lucindale	RAL	265.70	28	Yalata	RTX	653.94
29	Wakefield	RAL	263.98	29	Cleve	RAS	647.25
30	Berri Barmera	RAV	230.59	30	Adelaide Hills	UFM	640.53
31	Kingston	RAM	228.31	31	Tatiara	RAL	593.53
32	Port Pirie	RAV	226.91	32	Streaky Bay	RAM	593.14

South Australian councils ranked by grant funding 2014-15 (continued)

<i>South Australian councils ranked by funding per capita</i>				<i>South Australian councils ranked by funding per kilometre</i>			
<i>General purpose grant</i>				<i>Local road grant</i>			
<i>Rank</i>	<i>Council name</i>	<i>Classification</i>	<i>\$ per capita</i>	<i>Rank</i>	<i>Council name</i>	<i>Classification</i>	<i>\$ per km</i>
33	Tumby Bay	RAM	200.61	33	Coorong	RAL	563.01
34	Gerard	RTX	192.90		State average		496.09
35	Port Augusta	URS	185.33	34	Murray Bridge	URS	473.32
36	Whyalla	URS	173.92	35	Barossa	UFS	461.16
37	Wattle Range	RAV	164.10	36	Berri Barmera	RAV	445.19
38	Murray Bridge	URS	153.46	37	Renmark Paringa	RAL	444.58
39	Barunga West	RAM	144.50	38	Alexandrina	UFS	416.49
40	Yorke Peninsula	RAV	129.73	39	Port Pirie	RAV	357.09
41	Grant	RAL	121.57	40	Elliston	RAS	347.50
42	Mallala	RAL	120.84	41	Grant	RAL	334.82
43	Copper Coast	RAV	108.82	42	Kingston	RAM	329.11
44	Playford	UFL	102.22	43	Copper Coast	RAV	325.08
45	Lower Eyre Peninsula	RAM	95.03	44	Loxton Waikerie	RAV	309.25
46	Mount Gambier	URS	84.55	45	Lower Eyre Peninsula	RAM	297.88
47	Port Lincoln	URS	74.77	46	Southern Mallee	RAM	293.82
	State average		68.55	47	Southern Mallee	RAM	294.58
48	Clare and Gilbert Valleys	RAL	61.59	48	Naracoorte Lucindale	RAL	292.30
49	Gawler	UFS	54.51	49	Kangaroo Island	RAM	283.72
50	Salisbury	UDV	47.31	50	Light	RAV	275.87
51	Onkaparinga	UFV	33.39	51	Yankalilla	RAM	270.96
52	Yankalilla	RAM	27.66	52	Mallala	RAL	255.88
53	Alexandrina	UFS	26.25	53	Ceduna	RAM	251.47
54	Barossa	UFS	23.73	54	Franklin Harbour	RAS	248.73
55	Mount Barker	URM	21.50	55	Robe	RAS	241.56
56	Robe	RAS	21.46	56	Tumby Bay	RAM	231.56
57	Adelaide Hills	UFM	20.78	57	Wudinna	RAS	225.01
58	Prospect	UDS	20.57	58	Wattle Range	RAV	215.43
59	Tea Tree Gully	UDL	20.57	59	Clare and Gilbert Valleys	RAL	206.63
60	Unley	UDM	20.57	60	Yorke Peninsula	RAV	203.17
61	Walkerville	UDS	20.57	61	Goyder	RAM	202.75
62	Adelaide	UCC	20.57	62	Barunga West	RAM	201.92
63	Marion	UDL	20.57	63	Peterborough	RAS	194.42
64	Norwood Payneham and St Peters	UDM	20.57	64	Wakefield	RAL	192.30
65	Mitcham	UDM	20.57	65	Mid Murray	RAL	186.50

South Australian councils ranked by grant funding 2014–15 (continued)

<i>South Australian councils ranked by funding per capita</i>				<i>South Australian councils ranked by funding per kilometre</i>			
<i>General purpose grant</i>				<i>Local road grant</i>			
<i>Rank</i>	<i>Council name</i>	<i>Classification</i>	<i>\$ per capita</i>	<i>Rank</i>	<i>Council name</i>	<i>Classification</i>	<i>\$ per km</i>
66	Campbelltown	UDM	20.57	66	Northern Areas	RAM	177.88
67	West Torrens	UDM	20.57	67	Kimba	RAS	171.76
68	Victor Harbor	URS	20.57	68	Mount Remarkable	RAM	171.50
69	Port Adelaide Enfield	UDL	20.57	69	Orroroo/Carrieton	RAS	152.45
70	Holdfast Bay	UDM	20.57	70	Cooper Pedy	URS	106.26
71	Charles Sturt	UDL	20.57	71	Maralinga	RTX	–
72	Burnside	UDM	20.57	72	Outback Communities Authority	RTL	–
73	Light	RAV	20.57	73	Nipapanha	RTX	–
74	Roxby Downs	URS	20.57	74	Gerard	RTX	–

Table E-6 Tasmanian councils ranked by grant funding 2014-15

<i>Tasmanian councils ranked by funding per capita</i>				<i>Tasmanian councils ranked by funding per kilometre</i>			
<i>General purpose grant</i>				<i>Local road grant</i>			
<i>Rank</i>	<i>Council name</i>	<i>Classification</i>	<i>\$ per capita</i>	<i>Rank</i>	<i>Council name</i>	<i>Classification</i>	<i>\$ per km</i>
1	Flinders	RAS	866.25	1	Hobart	UCC	5420.85
2	King Island	RAS	468.94	2	Devonport	URS	4436.02
3	Central Highlands	RAM	413.69	3	Glenorchy	UFM	4366.77
4	Southern Midlands	RAL	287.86	4	Launceston	URM	3707.03
5	West Coast	RAM	262.30	5	Burnie	URS	3311.59
6	Dorset	RAL	246.41	6	Clarence	UFM	3299.90
7	Kentish	RAL	228.47	7	West Coast	RAM	3234.84
8	Tasman	RAM	190.39	8	George Town	RAL	2992.42
9	Break O'Day	RAL	184.09	9	Brighton	URS	2927.92
10	Circular Head	RAL	145.24	10	Central Coast	URS	2807.23
11	George Town	RAL	144.31	11	Break O'Day	RAL	2636.30
12	Derwent Valley	RAL	118.36		State average		2614.04
13	Waratah - Wynyard	RAV	111.35	12	West Tamar	UFS	2579.84
14	Northern Midlands	RAV	110.69	13	Latrobe	RAV	2546.66
15	Meander Valley	RAV	109.93	14	Sorell	RAV	2489.79
16	Huon Valley	RAV	109.67	15	Meander Valley	RAV	2488.14
17	Sorell	RAV	101.40	16	Glamorgan - Spring Bay	RAM	2441.18
18	Glamorgan - Spring Bay	RAM	96.07	17	Kingborough	UFM	2429.04
19	Central Coast	URS	94.19	18	Derwent Valley	RAL	2383.85
20	Brighton	URS	69.79	19	Tasman	RAM	2375.21
21	West Tamar	UFS	69.47	20	Waratah - Wynyard	RAV	2369.87
	State average		68.60	21	Dorset	RAL	2351.11
22	Burnie	URS	67.98	22	Kentish	RAL	2348.70
23	Latrobe	RAV	64.57	23	Circular Head	RAL	2299.56
24	Devonport	URS	29.53	24	Northern Midlands	RAV	2255.19
25	Hobart	UCC	20.58	25	Huon Valley	RAV	2003.04
26	Glenorchy	UFM	20.58	26	King Island	RAS	1966.16
27	Launceston	URM	20.58	27	Flinders	RAS	1841.10
28	Kingborough	UFM	20.58	28	Southern Midlands	RAL	1787.31
29	Clarence	UFM	20.58	29	Central Highlands	RAM	1785.24

Table E-7 Northern Territory councils ranked by grant funding 2014–15

<i>Northern Territory councils ranked by funding per capita</i>				<i>Northern Territory councils ranked by funding per kilometre</i>			
<i>General purpose grant</i>				<i>Local road grant</i>			
<i>Rank</i>	<i>Council name</i>	<i>Classification</i>	<i>\$ per capita</i>	<i>Rank</i>	<i>Council name</i>	<i>Classification</i>	<i>\$ per km</i>
1	East Arnhem	RTL	314.51	1	Alice Springs	URS	3910.51
2	MacDonnell	RTL	264.10	2	Darwin	UCC	3579.73
3	Roper Gulf	RTL	260.07	3	Palmerston	UFS	3443.77
4	Barkly	RTL	213.64	4	Katherine	URS	3420.84
5	Central Desert	RTL	200.64	5	Litchfield	RAV	3419.82
6	West Arnhem	RTL	182.66	6	Wagait	RTX	3277.18
7	West Daly	RTL	136.09	7	Coomalie	RTM	2454.01
8	Tiwi Islands	RTM	133.68	8	Victoria – Daly	RTL	1852.68
9	Victoria - Daly	RTL	124.93	9	West Daly	RTL	1303.11
10	Belyuen	RTX	122.50		State average		1271.71
	State average		71.01	10	Tiwi Islands	RTM	1154.40
11	Katherine	URS	33.82	11	Roper Gulf	RTL	1145.67
12	Alice Springs	URS	26.44	12	East Arnhem	RTL	1097.51
13	Darwin	UCC	21.30	13	West Arnhem	RTL	969.38
14	Litchfield	RAV	21.30	14	Trust Account	ZZZ	670.32
15	Palmerston	UFS	21.30	15	MacDonnell	RTL	635.99
16	Coomalie	RTM	21.30	16	Barkly	RTL	546.71
17	Wagait	RTX	21.30	17	Central Desert	RTL	486.22
18	Trust Account	ZZZ	–	18	Belyuen	RTX	396.21



F

Australian Classification of Local Governments



The Australian Classification of Local Governments (ACLG) was first published in September 1994. The ACLG categorises local governing bodies across Australia using the population, the population density and the proportion of the population that is classified as urban for the council.

The local governing bodies included in the classification system are those that receive funding under the Financial Assistance Grant programme as defined under the *Local Government (Financial Assistance) Act 1995* (Cth) (the Act). Therefore, bodies declared by the Australian Government Minister on the advice of the state minister to be local governing bodies for the purposes of the Act, are included in the ACLG. These include community councils. However, county councils, voluntary regional organisations of councils and the Australian Capital Territory are excluded.

The classification system generally involves three steps. Each step allocates a prefix formed from letters of the alphabet to develop a three-letter identifier for each class of local government. There are a total of 22 categories. For example, a medium-sized council in a rural agricultural area would be classified as RAM—rural, agricultural, medium. If it were remote, however, it would be classified as RTM—rural, remote, medium. Table F-1 provides information on the structure of the classification system.

Notwithstanding the capacity of the ACLG system to group like councils, it should be noted that there remains considerable scope for divergence within these categories, and for this reason the figures in Appendix D should be taken as a starting point for enquiring into grant outcomes. This divergence can occur because of factors including isolation, population distribution, local economic performance, daily or seasonal population changes, the age profile of the population and geographic differences. The allocation of the general purpose grant between states on an equal per capita basis and the local road grant on a fixed shares basis can also cause divergence.

To ensure the ACLG is kept up to date, at the end of each financial year local government grants commissions advise of any changes in the classification of councils in their state.

Table F-2 provides details of the number of local governing bodies at July 2014, by ACLG category and by state. There were no changes to the ACLG reported for local governing bodies in 2014–15.

Table F-1 Structure of the classification system

Step 1	Step 2	Step 3	Identifiers	Category
URBAN (U)				
Population more than 20 000	CAPITAL CITY (CC)	Not applicable		UCC
OR	METROPOLITAN DEVELOPED (D)	SMALL	up to 30 000	UDS
If population less than 20 000,	Part of an urban centre of more than 1 000 000 or population density more than 600 per square kilometre	MEDIUM	30 001–70 000	UDM
EITHER		LARGE (L)	70 001–120 000	UDL
		VERY LARGE (V)	more than 120 000	UDV
Population density more than 30 persons per square kilometre	REGIONAL TOWNS/CITY (R)	SMALL	up to 30 000	URS
OR	Part of an urban centre with population less than 1 000 000 and predominantly urban in nature	MEDIUM	30 001–70 000	URM
90 per cent or more of the local governing body population is urban		LARGE (L)	70 001–120 000	URL
		VERY LARGE (V)	more than 120 000	URV
	FRINGE (F)	SMALL	up to 30 000	UFS
	A developing LGA on the margin of a developed or regional urban centre	MEDIUM	30 001–70 000	UFM
		LARGE (L)	70 001–120 000	UFL
		VERY LARGE (V)	more than 120 000	UFV
RURAL (R)				
A local governing body with population less than 20,000	SIGNIFICANT GROWTH (SG)	Not applicable		RSG
AND	Average annual population growth more than three per cent, population more than 5000 and not remote			
Population density less than 30 persons per square kilometre	AGRICULTURAL (A)	SMALL	up to 2000	RAS
AND		MEDIUM	2001–5000	RAM
Less than 90 per cent of local governing body population is urban		LARGE (L)	5001–10 000	RAL
		VERY LARGE (V)	10 001–20 000	RAV
	REMOTE	EXTRA SMALL (X)	up to 400	RTX
		SMALL	401–1000	RTS
		MEDIUM	1001–3000	RTM
		LARGE (L)	3001–20 000	RTL

Table F-2 Categories of local governments by state at July 2014

State ACLG categories	NSW	VIC	QLD	WA	SA	TAS	NT	Australia
Urban Capital City (UCC)	1	1	1	1	1	1	1	7
Urban Development Small (UDS)	2	0	0	10	2	0	0	14
Urban Development Medium (UDM)	11	0	0	5	7	0	0	23
Urban Development Large (UDL)	10	9	0	4	4	0	0	27
Urban Development Very Large (UDV)	8	13	0	2	1	0	0	24
Urban Regional Small (URS)	11	6	5	3	8	4	2	39
Urban Regional Medium (URM)	19	12	9	5	1	1	0	47
Urban Regional Large (URL)	5	3	3	0	0	0	0	11
Urban Regional Very Large (URV)	3	1	10	0	0	0	0	14
Urban Fringe Small (UFS)	0	2	1	0	3	1	1	8
Urban Fringe Medium (UFM)	3	1	2	5	1	3	0	15
Urban Fringe Large (UFL)	1	1	0	2	1	0	0	5
Urban Fringe Very Large (UFV)	7	6	0	1	1	0	0	15
Rural Significant Growth (RSG)	0	0	0	3	0	0	0	3
Rural Agricultural Small (RAS)	4	0	0	49	10	2	0	65
Rural Agricultural Medium (RAM)	21	1	3	16	12	4	0	57
Rural Agricultural Large (RAL)	25	8	0	4	9	7	0	53
Rural Agricultural Very Large (RAV)	19	15	8	5	7	6	1	61
Rural Remote Extra Small (RTX)	3	0	5	4	4	0	2	18
Rural Remote Small (RTS)	0	0	10	4	0	0	0	14
Rural Remote Medium (RTM)	1	0	15	7	1	0	2	26
Rural Remote Large (RTL)	1	0	5	8	1	0	8	23
Total	155	79	77	138	74	29	17	569

Note: * NT total excludes Road Trust Account

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