



Australian Government

Department of Infrastructure, Transport,
Regional Development, Communications and the Arts

Local Government National Report



2019–20



Australian Government

**Department of Infrastructure, Transport,
Regional Development, Communications and the Arts**

Local Government National Report



2019–20

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Transmittal letter



Australian Government

**Department of Infrastructure, Transport,
Regional Development, Communications and the Arts**

**A/g Secretary
Richard Windeyer**

EC22-000673

The Hon Kristy McBain MP
Minister for Regional Development, Local Government and Territories
Parliament House
CANBERRA ACT 2600

Dear Minister McBain

Tabling of the 2019-20 Local Government National Report

In accordance with Section 16 of the *Local Government (Financial Assistance) Act 1995* (the Act), I provide you with the 2019-20 Local Government National Report (the Report) on the operation of the Act for you to present to both Houses of Parliament.

The Report has been prepared with the cooperation of all levels of government and local government associations, in accordance with the reporting requirements under the Act.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Richard Windeyer', with a small flourish at the end.

Richard Windeyer
A/g Secretary

25/8/22

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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 2019–20, Australia had 546 local governing bodies eligible to receive funding under the Australian Government’s Financial Assistance Grant program. The Act provides the legislative basis for this program. These 546 local governing bodies are:

- 535 local governments
- 10 declared local governing bodies, consisting of five Indigenous local governments and the Outback Areas Community Development Trust in South Australia; the Local Government Association of Northern Territory; the Silverton and Tibooburra villages; and Lord Howe Island in New South Wales
- the Australian Capital Territory, which receives funding through the Financial Assistance Grant program 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 terms ‘council’ and ‘local government’ are used interchangeably in this report to encompass all local governing bodies.

Declared bodies are funded under the Financial Assistance Grant program and are treated as local governments for the purposes of grant allocations. However, declared bodies are not local governments and have different legislative obligations. Due to this difference, data in this report that relates to local government may not be directly comparable to that for 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

While the structure, powers and responsibilities of the Australian and state governments were established during federation, local government was not identified as a Commonwealth responsibility – it is a state and Northern Territory responsibility. The states and the Northern Territory established the legal and regulatory framework to create and operate 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 unique insights 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 2020 was 25,687,041, an increase of 321,300 persons or 1.3 per cent from 30 June 2019. All states and territories, except the Northern Territory, experienced positive growth for the year ending 30 June 2020. Queensland recorded the fastest growth rate (1.6 per cent) while the Northern Territory recorded the lowest (–0.1 per cent).

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

Diversity

Local government can be highly diverse, both 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 voting rights and electoral systems for example
- 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 different legislative frameworks. They can be established under the mainstream local government legislation of a jurisdiction or through distinct legislation. They can also be 'declared' to be local governing bodies by the Australian Government Minister responsible for local government (the Federal Minister) on advice from a state or Northern Territory minister for the purpose of providing funding under the Financial Assistance Grant program.

National representation of local government

In 2019–20, the interests of local government were represented by a number of state-based and national associations, like the Local Government Association of Queensland and the Australian Local Government Association, for example. Local government was also represented on the Council of Australian Governments.

Council of Australian Governments

The Council of Australian Governments (COAG) comprised the Prime Minister, State Premiers, Territory Chief Ministers and the Australian Local Government Association President. COAG was established in May 1992 and its role was to initiate, develop and monitor the implementation of policy reforms of national significance.

On 29 May 2020, the then Prime Minister announced a new National Federation Reform Council (NFRC) to replace the Council of Australian Governments (COAG) meetings, with National Cabinet to remain at the centre of the NFRC. National Cabinet will focus specifically on job creation in response to the COVID-19 pandemic. The NFRC has been agreed to by Premiers, Chief Ministers and the Prime Minister.

The NFRC will meet annually, providing a joint forum for the First Ministers and Treasurers of all Australian jurisdictions and the President of the Australian Local Government Association (ALGA) to consider priority national federation issues.

Australian Local Government Association

The Australian Local Government Association is a federation of state and Northern Territory local government associations. 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. Further information is available at <https://alga.com.au/>.

Australian Government grants to local government

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

In 2019–20, the Australian Government provided \$2.5 billion in untied funding under the Financial Assistance Grant program to local governing bodies and the Australian Capital Territory Government. The Australian Government brought forward \$1.3 billion of the budgeted allocation for 2020–21 and paid this funding to states and territories in May 2020. The means of distributing funding provided under the Financial Assistance Grant program is discussed in Chapter 2. Allocations to local governing bodies for 2019–20 are provided in Appendix D.

Under the Intergovernmental Agreement on Federal Financial Relations, the Australian Government provided ongoing financial support to the service delivery efforts of the states and territories, 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, consisting of GST payments and other general revenue assistance.

The national SPPs are distributed among the states each year in accordance with the Australian Statistician's determination of state population shares. 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 2019–20, total SPPs were estimated in the 2019–20 Budget to total \$58.3 billion, a decrease of \$249 million compared with \$58.6 billion in 2018–19 (Australian Government, *Budget measures: Budget paper Number 3, 2019–20*).

Local government finances

Share of taxation revenue by sphere of government

Local government taxation revenue increased \$674 million (3.6 per cent) from \$18,904 million in 2018–19 to \$19,578 million in 2019–20. Local government's taxation revenue in 2019–20 amounted to 3.5 per cent of all taxes raised across all spheres of government in Australia. Taxes on property were the sole source of taxation revenue for local governments in 2019–20 (Australian Bureau of Statistics, *Taxation Revenue, Australia, 2019–20*, ABS cat. Number 5506.0). The following table provides further information on the local government share of taxation revenue in 2019–20.

Table 1 Share of taxation revenue, by sphere of government and source, 2019–20

Revenue source	Federal %	State %	Local %	Total %
Taxes on income	59.5	-	-	59.5
Employers payroll taxes	0.2	4.5	-	4.5
Taxes on property	0.0	2.6	3.5	6.1
Taxes on provision of goods and services	19.8	6.0	-	25.8
Taxes on use of goods and performance activities	1.6	2.5	-	4.0
Total	81.1	15.6	3.5	100.0

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, 2019–20, Total Taxation Revenue*, ABS cat. Number 5506.0.

Local government revenue sources

In 2019–20, councils raised 86.6 per cent of their own revenue, with grants and subsidies making up the remaining 13.4 per cent (see table below). Individual councils have differing abilities to raise revenue. These differing abilities may not be apparent when national or even state averages are considered. The differences between urban, rural and remote councils – such as population size, rating base and their ability to levy user charges – affect the ability of a council to raise revenue.

Table 2 Local government revenue sources by jurisdiction in 2019–20

Revenue source		NSW	Vic	Qld	WA	SA	Tas	NT	Total
Own-source revenue									
Taxation	\$m	5,021	5,560	4,254	2,504	1,661	434	144	19,578
	%	32.2	47.4	33.2	51.5	63.1	48.3	27.7	39.9
Sales of goods and services	\$m	5,053	2,021	4,331	979	437	185	106	13,113
	%	32.4	17.2	33.8	20.1	16.6	20.6	20.4	26.7
Interest	\$m	294	93	158	97	16	9	7	674
	%	1.9	0.8	1.2	2.0	0.6	1.0	1.3	1.4
Other*	\$m	2,976	2,871	2,276	549	205	112	136	9,124
	%	19.1	24.5	17.8	11.3	7.8	12.5	26.2	18.6
Total own-source revenue		13,344	10,545	11,019	4,129	2,319	740	393	42,489
Grants and subsidies	\$m	2,264	1,196	1,782	730	315	157	126	6,572
	%	14.5	10.2	13.9	15.0	12.0	17.5	24.3	13.4
Total grant revenue		2,264	1,196	1,782	730	315	157	126	6,572
Total revenue	\$m	15,607	11,741	12,802	4,859	2,634	898	519	49,061
	%	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*, 2019–20, ABS cat. Number 5512.0.

Local government revenue – taxes

One way local governments raise revenue is through rates on property. In 2019–20, 39.9 per cent of local government revenue nationally came from rates. The proportion of revenue from rates varied notably between jurisdictions – from a high of 63.1 per cent for South Australia to a low of 27.7 per cent for the Northern Territory – and 18.6 per cent of local government revenue was classified as ‘other’ (see Table 2 above).

Rates in each state and the Northern Territory are based on a land valuation. However, methods for assessing land value differ significantly between states.

Local government revenue – other non-grant revenue sources

On average, local government received 26.7 per cent of its revenue in 2019–20 from the sale of goods and services (see previous table).

Councils in the Northern Territory relied more on government grants and subsidies than councils in other jurisdictions, as they raised only 75.7 per cent of their own revenue. In the remaining states, the proportion of revenue raised from own sources ranged from 82.4 per cent for Tasmanian councils to 89.8 per cent for Victorian councils (see previous table).

Local government expenditure

Local government expenditure is primarily on general public services (22.7 per cent) followed by transport (20.9 per cent) and recreation, culture and religion (16.7 per cent) (Table 3).

Table 3 Local government expenditure by purpose and jurisdiction in 2019–20

Expenditure		NSW	Vic	Qld	WA	SA	Tas	NT	Total
General public services	\$m	3,102	1,706	2,945	896	147	191	194	9,180
	%	24.7	18.2	28.0	21.1	6.2	24.3	39.8	22.7
Public order and safety	\$m	445	231	196	152	58	7	25	1,112
	%	3.5	2.5	1.9	3.6	2.5	0.9	5.1	2.8
Economic affairs	\$m	705	460	424	191	162	37	23	2,003
	%	5.6	4.9	4.0	4.5	6.9	4.7	4.7	5.0
Environmental protection	\$m	2,535	1,484	1,328	292	446	106	22	6,213
	%	20.2	15.8	12.6	6.9	18.9	13.5	4.5	15.4
Housing and community amenities	\$m	1,244	658	1,484	402	219	71	59	4,137
	%	9.9	7.0	14.1	9.5	9.3	9.0	12.1	10.3
Health	\$m	89	186	60	72	61	12	4	483
	%	0.7	2.0	0.6	1.7	2.6	1.5	0.8	1.2
Recreation, culture and religion	\$m	1,893	1,847	1,276	929	594	138	67	6,745
	%	15.0	19.7	12.1	21.9	25.2	17.6	13.8	16.7
Education	\$m	86	144	9	5	-	-	3	247
	%	0.7	1.5	0.1	0.1	-	-	0.6	0.6
Social protection	\$m	423	935	60	194	134	19	40	1,805
	%	3.4	10.0	0.6	4.6	5.7	2.4	8.2	4.5
Transport	\$m	2,058	1,721	2,749	1,111	533	205	50	8,427
	%	16.4	18.4	26.1	26.2	22.6	26.1	10.3	20.9
Total	\$m	12,580	9,373	10,530	4,244	2,354	785	487	40,354
	%	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Notes: Figures may not add due to rounding.

'-' represents nil or figure rounded to zero.

Source: Australian Bureau of Statistics, *Government Finance Statistics, Australia, 2019–20*, ABS cat. Number 5512.0.

Assets and liabilities

In 2019–20, local government in Australia had a net worth of \$501,456 million, with assets worth \$523,462 million and liabilities worth \$22,193 million (Table 4 and Table 5).

On a state basis, only councils in South Australia had a total negative net financial worth as at 30 June 2020, while all the other states and the Northern Territory each had a total positive net financial worth (Table 5).

Table 4 Local government assets in 2019–20

Assets \$m		NSW	Vic	Qld	WA	SA	Tas	NT	Total
		\$m	\$m	\$m	\$m	\$m	\$m	\$m	
Financial	Currency and deposits	2,539	1,915	4,621	2,541	48	442	170	12,277
	Advances	0	4	0	3	117	0	0	124
	Other loans and placements	0	4,067	1,254	245	22	2	0	5,590
	Equity including contributed capital	0	0	5,898	412	119	1,466	0	7,896
	Other financial assets	13,878	1,386	2,205	350	256	61	177	18,313
	Total financial assets	16,418	7,370	13,978	3,552	562	1,972	347	44,199
Non-financial	Buildings and structures	119,901	57,964	98,627	37,576	18,843	7,035	1,891	341,837
	Machinery and equipment	1,689	1,044	1,550	1,306	382	137	66	6,174
	Other fixed produced assets	0	250	414	0	0	5	0	669
	Other produced assets	956	1,065	562	134	18	286	98	3,120
	Land	50,006	47,994	13,040	5,986	6,921	2,687	583	127,218
	Other non-produced assets	243	0	0	0	0	0	0	243
Total non-financial assets	172,795	108,317	114,194	45,003	26,164	10,151	2,639	479,263	
Total assets	189,212	115,688	128,172	48,555	26,726	12,123	2,986	523,462	

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

Source: Australian Bureau of Statistics, *Government Finance Statistics, Australia, 2019–20*, ABS cat. Number 5512.0.

Table 5 Local government liabilities and net worth and debt in 2019–20

	NSW	Vic	Qld	WA	SA	Tas	NT	Total
Liabilities	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Currency and deposits	61	398	8	42	159	16	0	684
Advances	0	60	0	0	199	2	2	263
Other loans and placements	3,178	994	5,841	635	369	217	12	11,246
Debt securities	0	0	0	0	0	0	0	0
Provisions for defined benefit superannuation	0	17	0	0	0	0	0	17
Other liabilities	3,369	2,040	2,567	924	573	179	144	9,796
Total liabilities	6,609	3,509	8,415	1,602	1,301	413	158	22,006
Net financial worth†	182,603	112,179	119,757	46,953	25,426	11,710	2,828	501,456
Net debt*	9,809	3,862	5,563	1,950	-739	1,559	189	22,193

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

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

* Net debt comprises 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.

Source: Australian Bureau of Statistics, *Government Finance Statistics, Australia, 2019–20*, ABS cat. Number 5512.0.

Financial Assistance Grant program

History of the arrangements

Financial Assistance Grant program 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. At that time, funding was determined by the Commonwealth Grants Commission on a horizontal equalisation basis, as defined in Appendix A.

The *Local Government (Financial Assistance) Act 1986 (Cth)* was amended to reflect a new indexation formula which was derived from the consumer price index and population growth. In addition, Local Government Grants Commissions were introduced to determine distributions to individual councils within their state or territory. These took into account a horizontal equalisation principle and a 30 per cent minimum grant principle, as defined in Appendix A.

From 1 July 1991, in addition to the already existing, untied general purpose component, 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 changes to the Act introduced the untied local road component and formalised a set of National Principles covering both the general purpose and local road components. 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 local government's efficiency and effectiveness. The objective of the identified road component is to support local governing bodies with funding allocated on the basis of relative needs for roads expenditure and to preserve road assets.

The yearly Financial Assistance Grant program funding is paid quarterly from the Commonwealth to the states and territories, which pass on the funding to local governments without delay. This funding is untied in the hands of local government, meaning local governments are not obliged to spend the funding in any particular way. Rather, local governments determine how they spend the funding to meet local priorities.

In May 2009, the Act was amended to allow early payment of funding, from the next financial year, to be made in the current financial year. Bring forward payments are reflected in the Treasurer's Determination in the year they are paid.

Quantum of Financial Assistance Grant allocations

Table 6 shows funding under the Financial Assistance Grant program since the introduction of the general purpose component in 1974–75 and the local road component in 1991–92.

Table 6 National Financial Assistance Grant allocations, 1974–75 to 2019–20

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

National Financial Assistance Grant allocations, 1974–75 to 2019–20 (continued)

Year	General purpose (\$)	Local road (\$)	Total (\$)
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	1,990,534,299
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
2015–16	792,547,187	351,676,511	1,144,223,698
2016–17	2,405,539,222	1,067,408,546	3,472,947,768
2017–18	1,670,887,544	741,421,976	2,412,309,520
2018–19	1,721,014,169	763,664,637	2,484,678,806
2019–20	1,784,003,288	791,614,762	2,575,618,050
Total	41,731,294,719	15,527,580,705	57,258,875,424

Notes: a. Grants to the Northern Territory under the program 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.
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 program commenced in 1995–96.
All funding represents actual entitlements.
n/a = not applicable.

Source: Department of Infrastructure, Transport, Regional Development, Communications and the Arts.

Overview of current arrangements

The following actions were taken to distribute funding in 2019–20 to local government under the Financial Assistance Grant program and in accordance with the Act. They reflect the different roles and responsibilities that the Commonwealth and the states and territories have under the Act.

- Before the start of the financial year, the Australian Government estimated the quantum of general purpose and local road components that were to be allocated to local government across the nation. This is equal to the national grant final entitlement for the previous financial year multiplied by the estimated escalation factor resulting from changes in population and the consumer price index.

- The Federal Minister responsible for local government advised the states and territories 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 general purpose and local road component allocations to be made to local governing bodies in their jurisdiction. The recommendations were made in accordance with National Principles formulated under the Act for allocating grants. The Australian Capital Territory does not have a Local Government Grants Commission as 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 Federal Minister.
- When satisfied that the states and territories had adopted the recommendations of their Local Government Grants Commissions, the Federal Minister approved payment to the states and territories. The Australian Government paid the grant in quarterly instalments to the states and territories, which, without undue delay, passed them on to local governing bodies within their jurisdictions in accordance with the recommended allocations.
- When updated consumer price index and population information became available toward the end of the financial year, an actual escalation factor was calculated and the actual grant entitlement for 2019–20 was determined. As population estimates are applied to the general purpose component, jurisdictions experiencing a negative population change from one year to the next will receive a declining share of the general purpose funding.
- Any difference between the estimated and actual entitlements in the current year is combined with the estimated entitlement in the next year to determine the next year's cash payment. This is known as the 'adjustment' referred to in the Act.

Determining the quantum of the grant

Section 8 of the Act specifies the formula 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 program. 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

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

Determining entitlements for 2019–20 and 2020–21

The calculations of the 2019–20 actual entitlement and the 2020–21 estimated entitlement, using the final escalation factor (the final factor) and estimated escalation factor (the estimated factor), are set out in the Treasurer’s Determination in Figures 1 and 2 below.

The estimated entitlement for 2019–20 was \$1.3 billion, consisting of \$873.9 million under the general purpose component and \$387.8 million under the identified local road component (see Table 7).

In the 2020–21 Budget, the Australian Government brought forward \$1.3 billion being 50 per cent of the 2020–21 estimate for payment in 2019–20. This funding consisted of a general purpose component of \$913.8 million and a local road component of \$405.5 million.

The final entitlement for 2019–20 to local governments was \$2.6 billion, broken out into the general purpose component of \$1.8 billion and the identified local road component of \$791.6 million (see Table 8).

The negative adjustment of \$5.4 million was applied to the estimated entitlement in the following year (2020–21). (See the section below headed ‘Variations in reported grants’.)

In 2019–20, only South Australia and Tasmania experienced a slight population increase and an increasing share of the general purpose component.

Figure 1 Assistant Treasurer’s determination of the final factor for 2019–20

Part 2 – Final factor for the year 2019–20

5 Determination of final factor for 2019–20

For the purposes of subsection 8(1) of the Act, the factor in relation to the 2019–20 year is 1.0366.

6 How the final factor was worked out

- (1) Under subsection 8(1) of the Act, the factor in relation to the 2019–20 year is to be worked out by applying the formula set out in paragraph 8(1)(a) of the Act and then adjusting the result under whichever of paragraphs 8(1)(b) and (c) of the Act are applicable.

Paragraph 8(1)(a) formula

- (2) The factor calculated under paragraph 8(1)(a) of the Act is as follows:

$$\frac{25,167,690}{24,770,829} \times \frac{116.6}{114.1} = 1.03828$$

Note 1: Under section 4A, the Statistician made the estimate of the population of Australia as at 31 December 2018 on 18 June 2020 (ABS Catalogue Number 3101.0).

Note 2: Under section 4A, the Statistician made the estimate of the population of Australia as at 31 December 2017 on 20 June 2019 (ABS Catalogue Number 3101.0).

Note 3: The formula uses the All Groups Consumer Price Index number, being the weighted average of the 8 capital cities, published on 29 April 2020 by the Statistician in respect of the 2020 March quarter (ABS Catalogue Number 6401.0).

Note 4: The formula uses the All Groups Consumer Price Index number, being the weighted average of the 8 capital cities, published on 24 April 2019 by the Statistician in respect of the 2019 March quarter (ABS Catalogue Number 6401.0).

Paragraph 8(1)(b) modification

- (3) The result of subsection (2) was modified by increasing the factor by 0.0001 under paragraph 8(1)(b) of the Act as the fifth decimal place was greater than 4.

Figure 1 (continued)

Paragraph 8(1)(c) modification

- (4) The result of subsection (3) was modified under paragraph 8(1)(c) of the Act as a result of special circumstances, being the need to account for the Commonwealth's decision to bring forward the first 2 quarterly payments in the 2019–20 year into the 2018–19 year and the first 2 quarterly payments in the 2020–21 year into the 2019–20 year. The modification was worked out by multiplying the result of subsection (3) by the following formula:

$$\frac{\text{2019–20 amount} - \text{2018–19 amount} + \text{2020–21 amount}}{\text{2018–19 final entitlement}} \times \frac{1}{\text{sub (3) factor}}$$

Where:

2018–19 amount means the first 2 quarterly payments that were brought forward from the year 2019–20 to be paid in the year 2018–19.

2019–20 amount means the amount that would have been the base figure for the year 2019–20 if the Commonwealth had not decided to bring forward any quarterly payments.

2020–21 amount means the first 2 quarterly payments that were brought forward from the year 2020–21 to be paid in the year 2019–20.

2018–19 final entitlement means the base figure for the year 2018–19.

sub (3) factor means the result of subsection (3).

Figure 2 Assistant Treasurer's determination of the estimated factor for 2020–21

Part 3 – Estimated factor for the year 2020–21

7 Determination of estimated factor for 2020–21

For the purposes of paragraph 7(3)(b) of the Act, the estimated factor in relation to the 2020–21 year is 0.4817.

8 How the estimated factor has been worked out

- (1) Under subsection 8(1) of the Act, the factor in relation to the 2020–21 year is to be worked out by applying the formula set out in paragraph 8(1)(a) of the Act and then adjusting the result under whichever of paragraphs 8(1)(b) and (c) of the Act are applicable.

Paragraph 8(1)(a) formula

- (2) The factor calculated under paragraph 8(1)(a) of the Act is as follows:

$$\frac{25,517,510}{25,167,690} \times \frac{116.3}{116.6} = 1.01129$$

Figure 2 (continued)

Note 1: Under section 4A, the Statistician made the estimate of the population of Australia as at 31 December 2019 on 18 June 2020 (ABS Catalogue Number 3101.0).

Note 2: Under section 4A, the Statistician made the estimate of the population of Australia as at 31 December 2018 on 18 June 2020 (ABS Catalogue Number 3101.0).

Note 3: The formula uses the most recent forecast of the Department of the Treasury of the All Groups Consumer Price Index number, being the weighted average of the 8 capital cities, in respect of the 2021 March quarter.

Note 4: The formula uses the All Groups Consumer Price Index number, being the weighted average of the 8 capital cities, published on 29 April 2020 by the Statistician in respect of the 2020 March quarter (ABS Catalogue Number 6401.0).

Paragraph 8(1)(b) modification

- (3) The result of subsection (2) was modified by increasing the factor by 0.0001 under paragraph 8(1)(b) of the Act as the fifth decimal place was greater than 4.

Paragraph 8(1)(c) modification

- (4) The result of subsection (3) was modified under paragraph 8(1)(c) of the Act as a result of special circumstances, being the need to account for the Commonwealth's decision to bring forward the first 2 quarterly payments in the 2020–21 year into the 2019–20 year. The modification was worked out by multiplying the result of subsection (3) by the following formula:

$$\frac{\text{2020–21 amount} - \text{2019–20 amount}}{\text{2019–20 final entitlement}} \times \frac{1}{\text{sub (3) factor}}$$

Where:

2019–20 amount means the first 2 quarterly payments that were brought forward from the year 2020–21 to be paid in the year 2019–20.

2020–21 amount means the amount that would have been the base figure for the year 2020–21 if the Commonwealth had not decided to bring forward any quarterly payments.

2019–20 final entitlement means the base figure for the year 2019–20.

sub (3) factor means the result of subsection (3).

Table 7 Estimated entitlements and cash paid in 2019–20

	2018–19 final entitlement	2019–20 estimated factor	2019–20 estimated entitlement	2018–19 adjustment and bring forward	2019–20 cash payment
	\$		\$	\$	\$
General purpose	1,721,014,169	x 0.5078 =	873,930,996	Plus 900,408,147 =	1,774,339,143
Local road	763,664,637	x 0.5078 =	387,788,901	Plus 399,536,681 =	787,325,582
Total	2,484,678,806		1,261,719,897	Plus 1,299,944,828 =	2,561,664,725
General purpose			31 December 2018 population*		
NSW	550,418,258	8,046,070	279,306,705	Plus 287,804,226 =	567,110,931
Vic	443,751,327	6,526,413	226,554,195	Plus 233,690,318 =	460,244,513
Qld	344,811,192	5,052,827	175,400,967	Plus 180,596,983 =	355,997,950
WA	179,416,983	2,606,338	90,474,937	Plus 93,039,081 =	183,514,018
SA	120,068,090	1,742,744	60,496,626	Plus 62,302,846 =	122,799,472
Tas	36,477,748	531,529	18,451,196	Plus 19,020,531 =	37,471,727
NT	17,151,483	245,854	8,534,436	Plus 8,803,473 =	17,337,909
ACT	28,919,088	423,811	14,711,934	Plus 15,150,689 =	29,862,623
Total	1,721,014,169	25,175,586	873,930,996	Plus 900,408,147 =	1,774,339,143
Local road			2019–20 estimated factor		
NSW	221,563,073	x 0.5078 =	112,509,728	Plus 115,918,392 =	228,428,120
Vic	157,440,028	x 0.5078 =	79,948,046	Plus 82,370,202 =	162,318,248
Qld	143,082,773	x 0.5078 =	72,657,432	Plus 74,858,707 =	147,516,139
WA	116,765,446	x 0.5078 =	59,293,493	Plus 61,089,885 =	120,383,378
SA	41,968,544	x 0.5078 =	21,311,627	Plus 21,957,297 =	43,268,924
Tas	40,468,827	x 0.5078 =	20,550,070	Plus 21,172,667 =	41,722,737
NT	17,888,708	x 0.5078 =	9,083,886	Plus 9,359,097 =	18,442,983
ACT	24,487,238	x 0.5078 =	12,434,619	Plus 12,810,434 =	25,245,053
Total	763,664,637		387,788,901	Plus 399,536,681 =	787,325,582

Note: * Based on statistics provided by the Australian Statistician on 21 June 2018.

Source: Department of Infrastructure, Transport, Regional Development, Communications and the Arts.

Table 8 Final entitlements and adjustments for 2019–20

	2018–19 final entitlement \$	2019–20 final factor	2019–20 final entitlement \$	2019–20 estimated entitlement \$	2019–20 adjustment# \$		
General purpose	1,721,014,169	x	1,784,003,288	less	873,930,996	=	910,072,292
Local road	763,664,637	x	791,614,762	less	387,788,901	=	403,825,862
Total	2,484,678,806		2,575,618,050	less	1,261,719,897	=	1,313,898,153
General purpose			31 December 2018 population*				
NSW	550,418,258		569,774,273	less	279,306,705	=	290,467,568
Vic	443,751,327		462,799,814	less	226,554,195	=	236,245,619
Qld	344,811,192		358,014,345	less	175,400,967	=	182,613,378
WA	179,416,983		184,714,309	less	90,474,937	=	94,239,372
SA	120,068,090		123,583,516	less	60,496,626	=	63,086,890
Tas	36,477,748		37,700,009	less	18,451,196	=	19,248,813
NT	17,151,483		17,416,575	less	8,534,436	=	8,882,139
ACT	28,919,088		30,000,447	less	14,711,934	=	15,288,513
Total	1,721,014,169		1,784,003,288	less	873,930,996	=	910,072,292
Local road			2019–20 final factor				
NSW	221,563,073	x	229,672,281	less	112,509,728	=	117,162,553
Vic	157,440,028	x	163,202,333	less	79,948,046	=	83,254,287
Qld	143,082,773	x	148,319,602	less	72,657,432	=	75,662,170
WA	116,765,446	x	121,039,061	less	59,293,493	=	61,745,568
SA	41,968,544	x	43,504,593	less	21,311,627	=	22,192,966
Tas	40,468,827	x	41,949,986	less	20,550,070	=	21,399,916
NT	17,888,708	x	18,543,435	less	9,083,886	=	9,459,549
ACT	24,487,238	x	25,383,471	less	12,434,619	=	12,948,852
Total	763,664,637		791,614,762	less	387,788,901	=	403,825,861

Notes: * Based on statistics provided by the Australian Statistician on 21 June 2018.

Adjustment includes the bring forward payment from 2020–21 paid in June 2019 and indexation inherent in the Treasurer's Determination.

Source: Department of Infrastructure, Transport, Regional Development, Communications and the Arts.

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. This difference is combined with the estimated entitlement in the following financial year to provide the cash payment for the next year.

Figures provided in Appendix D and Appendix E reflect the requirement under the Act to provide a comparison of councils at the national level. To do this, final allocations are calculated on a per capita (general purpose) and per kilometre (local road) basis. This may differ from the comparison calculations used by Local Government Grants Commissions in each jurisdiction.

Consequently, there are numerous ways in which funding provided under the Financial Assistance Grant program can be reported.

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 population and the estimated population of all states and territories as at 31 December of the previous year.

In 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 (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.

The 2019–20 allocations of general purpose and local road grants among jurisdictions are provided in Table 9, while Table 10 provides a comparison to the 2018–19 allocations.

Table 9 2019–20 final entitlement allocations of general purpose and local road grants among jurisdictions

State	General purpose (GP)										Local road (LR)					Total grant
	GP final entitlement	GP bring forward paid in June 2020	Total GP final and bring forward	% of total GP pool	31 Dec 2018 population*	per capita	LR final entitlement	LR bring forward paid in June 2020	Total LR final and bring forward	% of LR pool	Kilo-metres	% of LR length	\$ per km	Total final entitlement	% of total grant	
NSW	278,093,200	291,681,073	569,774,273	31.9	8,046,070	70.81	112,026,484	117,645,797	229,672,281	29.0	146,998	22.2	1,562.42	799,446,554	31.0	
Vic	224,324,665	238,475,149	462,799,814	25.9	6,526,413	70.91	79,604,658	83,597,675	163,202,333	20.6	132,816	20.0	1,228.79	626,002,147	24.3	
Qld	174,401,657	183,612,688	358,014,345	20.1	5,052,827	70.85	72,345,358	75,974,244	148,319,602	18.7	150,249	22.7	987.16	506,333,947	19.7	
WA	90,815,822	93,898,487	184,714,309	10.4	2,606,338	70.87	59,038,820	62,000,241	121,039,061	15.3	127,305	19.2	950.78	305,753,370	11.9	
SA	60,833,549	62,749,967	123,583,516	6.9	1,742,744	70.91	21,220,090	22,284,503	43,504,593	5.5	78,242	11.8	556.03	167,088,109	6.5	
Tas.	18,491,969	19,208,040	37,700,009	2.1	531,529	70.93	20,461,805	21,488,181	41,949,986	5.3	14,211	2.1	2,951.85	79,649,995	3.1	
NT	8,637,431	8,779,144	17,416,575	1.0	245,854	70.84	9,044,869	9,498,566	18,543,435	2.3	13,456	2.0	1,378.08	35,960,010	1.4	
ACT	14,579,049	15,421,398	30,000,447	1.7	423,811	70.79	12,382,124	13,001,347	25,383,471	3.2	-	-	-	55,383,918	2.2	
Total	870,177,342	913,825,946	1,784,003,288	100.0	25,175,586	70.86	386,124,208	405,490,554	791,614,762	100.0	663,277	100.0	1,193.49	2,575,618,050	100.0	

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

Source: Department of Infrastructure, Transport, Regional Development, Communications and the Arts.

Table 10 2019–20 final entitlement and percentage change from 2018–19

State	General purpose (GP)				Local road (LR)			Total entitlement		
	2019–20 final entitlement	2018–19 final entitlement	% change from 2018–19 final entitlement	2019–20 LR final entitlement	2018–19 LR final entitlement	% change from 2018–19 final entitlement	2019–20 final entitlement	2018–19 final entitlement	% change from 2018–19 final entitlement	
	\$	\$		\$	\$		\$	\$	\$	
NSW	569,774,273	550,418,258	3.5	229,672,281	221,563,073	3.7	799,446,554	771,981,331	3.6	
Vic	462,799,814	443,751,327	4.3	163,202,333	157,440,028	3.7	626,002,147	601,191,355	4.1	
Qld	358,014,345	344,811,192	3.8	148,319,602	143,082,773	3.7	506,333,947	487,893,965	3.8	
WA	184,714,309	179,416,983	3.0	121,039,061	116,765,446	3.7	305,753,370	296,182,429	3.2	
SA	123,583,516	120,068,090	2.9	43,504,593	41,968,544	3.7	167,088,109	162,036,634	3.1	
Tas	37,700,009	36,477,748	3.4	41,949,986	40,468,827	3.7	79,649,995	76,946,575	3.5	
NT	17,416,575	17,151,483	1.5	18,543,435	17,888,708	3.7	35,960,010	35,040,191	2.6	
ACT	30,000,447	28,919,088	3.7	25,383,471	24,487,238	3.7	55,383,918	53,406,326	3.7	
Total	1,784,003,288	1,721,014,169	3.7	791,614,762	763,664,637	3.7	2,575,618,050	2,484,678,806	3.7	

Source: Department of Infrastructure, Transport, Regional Development, Communications and the Arts.

National Principles for the allocation of grants under the Act

As outlined in section 6 of the Act, the Federal Minister is required 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 guide the states and the Northern Territory in allocating funding from the Financial Assistance Grant program to local governing bodies within their jurisdiction.

The National Principles are set out in full in Appendix A.

Determining the distribution of grants within jurisdictions

Under sections 11 and 14 of the Act, funding under the Financial Assistance Grant program 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 local government services.

The Local Government Grants Commissions make recommendations, in accordance with the National Principles, on the quantum of the funding to be allocated to local governing bodies under the Financial Assistance Grant program. 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 3.

Once each Local Government Grants Commission has calculated the recommended allocations to local governing bodies in its jurisdiction under the Financial Assistance Grant program, the relevant state or Northern Territory minister recommends the allocations to the Federal Minister for approval. The Act requires that the Federal Minister be satisfied that the states and the Northern Territory have adopted the recommendations of their Local Government Grants Commission.

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

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

Funding under the Financial Assistance Grant program 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 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 are:

- 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 provision of financial assistance to local governing bodies in the state or territory; and
- the Federal 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 to their commission in relation to the recommendations; and make their recommendations in accordance with the National Principles.

The legislation establishing Local Government Grants Commissions in each state and the Northern Territory is:

The legislation establishing local government grants commissions in each state and the Northern Territory are:

New South Wales	<i>Local Government Act 1993 (NSW)</i>
Victoria	<i>Victorian Local Government Grants Commission Act 1976 (Vic)</i>
Queensland	<i>Local Government Act 2009 (Qld)</i>
Western Australia	<i>Local Government Grants Act 1978 (WA)</i>
South Australia	<i>South Australian Local Government Grants Commission Act 1992 (SA)</i>
Tasmania	<i>State Grants Commission Act 1976 (Tas)</i>
Northern Territory	<i>Local Government Grants Commission Act 1986 (NT)</i>

Bodies eligible to receive funding under the Financial Assistance Grant program

All local governing bodies constituted under state or territory legislation are automatically local governing bodies. In addition, section 4(2) of the Act defines a local governing body to include:

a body declared by the [Federal] 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, 545 local governing bodies, including 10 declared local governing bodies made eligible under section 4(2), received funding under the Financial Assistance Grant program in 2019–20 (Table 11).

Table 11 Distribution of local governing bodies, by type and jurisdiction

Type	NSW ^c	Vic	Qld	WA	SA ^e	Tas	NT ^d	Total
Local governments ^a	128	79	77	137	68	29	17	535
Declared local governing bodies ^b	3	–	–	–	6	–	1	10
Total	131	79	77	137	74	29	18	545

Notes: a These are local governing bodies eligible under paragraph 4(2)(a) of the *Local Government (Financial Assistance) Act 1995 (Cth)*.

b These are declared local governing bodies under paragraph 4(2)(b) of the *Local Government (Financial Assistance) Act 1995 (Cth)*.

c Includes Lord Howe Island, Silvertown and Tibooburra.

d Includes the Outback Communities Authority.

e Includes the Northern Territory Roads Trust Account.

Source: Department of Infrastructure, Transport, Regional Development, Communications and the Arts.

Methodologies of Local Government Grants Commissions

Local Government Grants Commissions each have their own methodology for allocating funds to local government in their jurisdiction.

When allocating 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 that consider each local governing body's assessed need. The recommended allocation of the local road component is based on the Local Government Grants Commissions' assessment of the local governing bodies' road expenditure needs. Local Government Grants Commissions are required to make their recommendations in line with the National Principles (see Appendix A).

A detailed description of each Local Government Grants Commission's methods can be found in Appendices B and C and at the internet addresses in Figure 4 below.

Figure 4 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	https://www.localgovernment.vic.gov.au/council-funding-and-grants/victoria-grants-commission
Queensland	https://www.statedevelopment.qld.gov.au/local-government/governance/queensland-local-government-grants-commission
Western Australia	https://www.dlgsc.wa.gov.au/local-government/local-governments/boards-and-commissions
South Australia	https://www.agd.sa.gov.au/local-government/grants-commission
Tasmania	http://www.treasury.tas.gov.au/state-grants-commission
Northern Territory	http://www.grantscommission.nt.gov.au

Allocations to local government in 2019–20

The Federal Minister agreed to the allocations of funding under the Financial Assistance Grant program to local governing bodies for 2019–20, as recommended by Local Government Grants Commissions through state and Northern Territory ministers. Appendix D contains the final entitlements for 2019–20.

Table 12 provides the average general purpose allocation per capita, provided to local governing bodies, by jurisdiction and by their classification within the Australian Classification of Local Governments. The average local road component per kilometre, provided to local governing bodies, by jurisdiction and by classification within the Australian Classification of Local Governments, is outlined in Table 13.

The results in these tables suggest there are some differences in outcomes between jurisdictions. Notwithstanding the capacity of the Australian Classification of Local Governments classification system to group similar local governing bodies, it should be noted that considerable scope for divergence within these categories remains. This divergence can occur because of a range of factors including isolation, population distribution, local economic performance, population changes, age of population and geographic differences.

Table 12 Average general purpose component per capita to councils 2019–20

Classification	Jurisdiction (\$)									Average
	NSW	Vic	Qld	WA	SA	Tas	NT			
Urban Capital City (UCC)	20.52	19.99	20.69	20.29	20.52	20.71	22.17			20.70
Urban Developed Small (UDS)	22.07	n/a	n/a	20.90	20.84	n/a	n/a			21.27
Urban Developed Medium (UDM)	20.90	n/a	n/a	25.10	20.91	n/a	n/a			22.30
Urban Developed Large (UDL)	20.86	23.17	n/a	20.90	20.85	n/a	n/a			21.45
Urban Developed Very Large (UDV)	25.24	33.15	n/a	21.01	34.69	n/a	n/a			28.52
Urban Regional Small (URS)	164.08	210.37	188.61	57.08	131.53	64.86	32.81			121.33
Urban Regional Medium (URM)	103.46	155.35	110.64	n/a	20.50	20.91	21.48			68.66
Urban Regional Large (URL)	82.50	113.37	50.22	n/a	n/a	n/a	n/a			82.03
Urban Regional Very Large (URV)	69.11	71.07	22.27	n/a	n/a	n/a	n/a			54.15
Urban Fringe Small (UFS)	n/a	160.03	80.31	48.21	41.39	81.88	21.75			72.26
Urban Fringe Medium (UFM)	42.59	73.15	55.92	22.45	20.94	20.82	n/a			39.31
Urban Fringe Large (UFL)	55.24	82.03	n/a	20.78	104.30	n/a	n/a			65.59
Urban Fringe Very Large (UFV)	42.65	57.99	n/a	20.59	32.05	n/a	n/a			38.32
Rural Significant Growth (RSG)	n/a	n/a	n/a	20.45	28.25	n/a	n/a			24.35
Rural Agricultural Small (RAS)	1,808.80	n/a	n/a	1,015.63	720.16	596.64	n/a			1,035.31
Rural Agricultural Medium (RAM)	804.59	960.42	961.05	262.88	408.57	232.01	n/a			604.92
Rural Agricultural Large (RAL)	438.34	511.50	n/a	245.49	245.34	211.18	n/a			330.37
Rural Agricultural Very Large (RAV)	266.94	252.35	414.07	118.39	172.06	103.33	n/a			221.19
Rural Remote Extra Small (RTX)	592.63	n/a	8,854.95	10,295.52	554.04	n/a	142.61			4,087.95
Rural Remote Small (RTS)	n/a	n/a	3,680.14	2,261.81	n/a	n/a	21.96			1,987.97
Rural Remote Medium (RTM)	2,253.13	n/a	1,550.84	1,088.55	n/a	n/a	105.75			1,249.57
Rural Remote Large (RTL)	902.13	n/a	1,076.97	234.44	n/a	n/a	249.26			615.70
Total per capita	69.27	68.73	69.07	70.51	69.61	69.46	72.81			69.92

Note: n/a = not applicable.

Source: Department of Infrastructure, Transport, Regional Development, Communications and the Arts.

Table 13 Average local road component per kilometre to councils 2019–20

Classification	Jurisdiction (\$)										Average
	NSW	Vic	Qld	WA	SA	Tas	NT				
Urban Capital City (UCC)	4,715.97	3,027.33	2,912.23	4,388.70	2,203.65	5,427.81	3,518.75				3,742.06
Urban Developed Small (UDS)	2,950.16	n/a	n/a	2,312.89	2,440.61	n/a	n/a				2,567.88
Urban Developed Medium (UDM)	3,206.74	n/a	n/a	2,747.04	2,198.77	n/a	n/a				2,717.52
Urban Developed Large (UDL)	3,413.45	1,735.75	n/a	2,143.74	2,121.20	n/a	n/a				2,353.53
Urban Developed Very Large (UDV)	2,923.64	1,706.53	n/a	2,191.05	2,057.20	n/a	n/a				2,219.61
Urban Regional Small (URS)	1,465.95	1,186.16	712.78	1,409.30	783.49	3,425.37	3,817.56				1,828.66
Urban Regional Medium (URM)	1,678.68	1,256.75	785.22	1,236.72	807.93	3,946.86	3,148.39				1,837.22
Urban Regional Large (URL)	2,141.45	1,406.28	1,021.23	n/a	n/a	n/a	n/a				1,522.99
Urban Regional Very Large (URV)	2,390.54	1,526.37	1,714.15	n/a	n/a	n/a	n/a				1,877.02
Urban Fringe Small (UFS)	n/a	1,131.34	760.35	1,441.99	582.96	2,971.20	3,621.95				1,751.63
Urban Fringe Medium (UFM)	1,915.93	1,509.36	873.33	1,830.71	726.31	3,471.17	n/a				1,721.13
Urban Fringe Large (UFL)	2,065.66	1,717.33	n/a	1,951.76	1,654.09	n/a	n/a				1,847.21
Urban Fringe Very Large (UFV)	2,334.48	1,738.63	n/a	1,961.00	1,678.70	n/a	n/a				1,928.20
Rural Significant Growth (RSG)	n/a	n/a	n/a	1,153.33	317.45	n/a	n/a				735.39
Rural Agricultural Small (RAS)	1,051.82	n/a	n/a	626.68	248.55	2,314.56	n/a				1,060.40
Rural Agricultural Medium (RAM)	1,071.41	864.24	627.74	815.72	255.15	2,531.25	n/a				1,027.59
Rural Agricultural Large (RAL)	1,138.05	902.70	n/a	919.60	272.01	2,617.50	n/a				1,169.97
Rural Agricultural Very Large (RAV)	1,237.18	1,110.77	657.88	841.62	292.17	2,648.82	n/a				1,131.40
Rural Remote Extra Small (RTX)	n/a	n/a	611.99	545.68	2,288.34	n/a	400.33				961.59
Rural Remote Small (RTS)	n/a	n/a	624.74	569.00	n/a	n/a	3,313.47				1,502.40
Rural Remote Medium (RTM)	1,019.77	n/a	623.23	419.38	50.44	n/a	1,447.73				712.11
Rural Remote Large (RTL)	1,045.04	n/a	653.43	775.88	n/a	n/a	949.51				855.97
Total per kilometre	1,534.32	1,260.50	969.15	871.79	465.84	2,901.65	1,358.29				1,337.36

Note: n/a = not applicable.

Source: Department of Infrastructure, Transport, Regional Development, Communications and the Arts.

Local governing bodies on the minimum grant

Local governing bodies that receive the minimum grant entitlement generally fall within the capital city, urban developed or urban fringe classifications, 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 14 provides details on local governing bodies on the minimum grant by jurisdiction, from 2010–11 to 2019–20. The per capita grant to minimum grant councils in 2019–20 was between \$21.04 and \$21.74.

The proportion of the population covered by local governing bodies on the minimum grant varies between jurisdictions. In 2019–20, the proportion ranged from 30.4 per cent in New South Wales to 76.0 per cent in Western Australia. This generally reflects the degree of concentration of a jurisdiction's population in their capital city. Variations can also arise because of a local government's geographic structuring and differences in the methods used by Local Government Grants Commissions.

In 2019–20, the proportion of the general purpose grant that went to local governing bodies on the minimum grant was 14.3 per cent nationally. It varied from 9.1 per cent in New South Wales to 22.8 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 the 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 the jurisdiction.

Over the past decade, the number of local governing bodies on the minimum grant increased from 94 in 2010–11 to 99 in 2019–20. The percentage of the population in minimum grant councils increased from 35.9 per cent in 2010–11 to 46.0 per cent in 2019–20. This 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 National Principle for horizontal equalisation (see Appendix A).

Table 14 Councils on the minimum grant, by jurisdiction, 2010–11 to 2019–20

	2010–11	2011–12	2012–13	2013–14	2014–15	2015–16	2016–17	2017–18	2018–19	2019–20
NSW										
\$ general purpose	463,479,161	471,413,267	489,045,833	508,608,083	508,237,232	506,290,484	496,242,780	524,987,494	540,182,065	560,313,297
\$ to minimum grant councils	36,160,752	37,593,617	38,999,527	41,044,913	42,527,921	47,455,907	38,241,165	46,060,914	50,918,751	51,145,637
% to minimum grant councils	7.8	8.0	8.0	8.1	8.4	9.4	7.7	8.8	9.4	9.1
Population per jurisdiction	7,133,854	7,232,022	7,301,607	7,289,779	7,409,856	7,508,849	7,664,575	7,726,426	7,860,546	7,987,727
Population for minimum grant councils	1,855,282	1,922,430	1,940,916	1,960,961	2,066,788	2,343,212	1,915,270	2,259,648	2,469,834	2,430,406
% of population in minimum grant councils	26.0	26.6	26.6	26.9	27.9	31.2	25.0	29.0	31.4	30.4
Minimum grant councils/No. LGBs	22/155	23/155	23/155	23/155	24/155	26/155	18/131	20/131	19/131	17/131
Vic										
\$ general purpose	354,852,579	360,195,861	375,393,290	393,135,181	393,289,960	394,880,592	405,256,954	415,741,109	434,192,830	453,351,692
\$ to minimum grant councils	30,577,564	30,820,330	28,328,702	33,555,381	33,587,740	33,799,568	34,701,187	35,498,178	38,231,258	48,123,311
% to minimum grant councils	8.6	8.6	7.6	8.5	8.5	8.6	8.6	8.5	8.8	10.6
Population per jurisdiction	5,443,134	5,545,838	5,621,116	5,632,519	5,739,228	5,841,632	5,937,462	6,069,627	6,323,598	6,460,628
Population for minimum grant councils	1,563,445	1,581,774	1,413,974	1,600,743	1,633,808	1,664,977	1,694,716	1,727,523	1,856,004	2,285,987
% of population in minimum grant councils	28.7	28.5	25.2	28.4	28.5	28.5	28.5	28.5	29.4	35.4
Minimum grant councils/No. LGBs	12/79	13/79	12/79	13/79	13/79	13/79	13/79	13/79	13/79	16/79

Councils on the minimum grant, by jurisdiction, 2010–11 to 2019–20 (continued)

	2010–11	2011–12	2012–13	2013–14	2014–15	2015–16	2016–17	2017–18	2018–19	2019–20
Qld										
\$ general purpose	288,922,754	290,459,015	304,750,796	319,028,016	319,083,531	318,749,890	317,752,529	328,799,275	338,163,013	351,558,988
\$ to minimum grant councils	30,728,757	50,601,267	62,254,683	65,533,567	65,766,311	65,795,193	69,679,193	72,398,267	75,235,151	78,568,609
% to minimum grant councils	10.6	17.4	20.4	20.5	20.6	20.6	21.9	22.0	22.2	22.3
Population per jurisdiction	4,421,783	4,510,510	4,576,882	4,556,416	4,653,008	4,718,591	4,774,888	4,839,261	4,924,324	5,006,976
Population for minimum grant councils	1,567,615	2,619,274	3,116,561	3,138,148	3,196,772	3,246,648	3,490,246	3,551,854	3,651,910	3,729,968
% of population in minimum grant councils	35.5	58.1	68.1	68.9	68.7	68.8	73.1	73.4	74.2	74.5
Minimum grant councils/No. LGBs	2/73	6/73	8/73	8/77	9/77	9/77	10/77	10/77	10/77	10/77
WA										
\$ general purpose	146,620,875	151,667,051	157,781,551	171,319,297	172,194,345	173,592,719	165,885,062	176,085,070	176,932,279	182,242,603
\$ to minimum grant councils	33,132,023	34,286,560	35,432,688	38,760,735	39,026,105	38,981,399	35,870,819	4,128,1872	42,043,137	41,528,520
% to minimum grant councils	22.6	22.6	22.5	22.6	22.7	22.5	21.6	23.4	23.8	22.8
Population per jurisdiction	2,245,057	2,293,510	2,349,325	2,430,252	2,519,321	2,577,840	2,590,259	2,617,074	2,580,354	2,595,192
Population for minimum grant councils	1,691,057	1,728,272	1,758,611	1,832,803	1,903,262	1,920,784	1,871,379	2,047,990	2,043,836	1,971,264
% of population in minimum grant councils	75.3	75.4	74.9	75.4	75.5	74.5	72.2	78.3	79.2	76.0
Minimum grant councils/No. LGBs	31/139	31/138	30/138	31/138	31/138	31/138	29/137	31/137	32/137	31/137

Councils on the minimum grant, by jurisdiction, 2010–11 to 2019–20 (continued)

	2010–11	2011–12	2012–13	2013–14	2014–15	2015–16	2016–17	2017–18	2018–19	2019–20
SA										
\$ general purpose	105,434,395	107,468,610	110,938,451	115,072,530	114,528,245	113,431,086	112,980,736	115,773,190	118,284,887	121,948,136
\$ to minimum grant councils	17,542,801	14,330,230	17,938,909	18,042,090	17,154,972	16,990,531	17,610,038	17,798,588	18,040,646	18,290,129
% to minimum grant councils	16.6	13.3	16.2	15.7	15.0	15.0	15.6	15.4	15.3	15.0
Population per jurisdiction	1,623,590	1,644,582	1,656,299	1,654,778	1,670,827	1,685,714	1,685,714	1,708,135	1,723,548	1,736,422
Population for minimum grant councils	900,691	810,045	892,807	864,995	834,042	841,721	874,193	875,484	876,093	868,139
% of population in minimum grant councils	55.5	49.3	53.9	52.3	49.9	49.9	51.9	51.3	50.8	50.0
Minimum grant councils/No. LGBs	21/74	20/74	20/74	18/74	17/74	17/74	17/74	17/74	17/74	16/74
Tas										
\$ general purpose	32,611,864	33,677,077	34,471,522	35,487,132	35,201,332	34,554,111	34,214,228	34,954,441	35,800,944	37,121,818
\$ to minimum grant councils	4,775,551	3,620,178	3,714,379	5,219,534	5,182,417	5,091,852	5,049,338	5,168,245	5,327,655	5,554,515
% to minimum grant councils	14.6	10.8	10.8	14.7	14.7	14.7	14.8	14.8	14.9	15.0
Population per jurisdiction	503,292	507,643	510,519	512,019	513,159	514,762	516,586	519,063	520,877	528,201
Population for minimum grant councils	245,667	181,900	183,365	251,030	251,828	252,849	254,126	255,823	258,378	263,448
% of population in minimum grant councils	48.8	35.8	35.9	49.0	49.1	49.1	49.2	49.3	49.6	49.9
Minimum grant councils/No. LGBs	5/29	4/29	4/29	5/29	5/29	5/29	5/29	5/29	5/29	5/29

Councils on the minimum grant, by jurisdiction, 2010–11 to 2019–20 (continued)

	2010–11	2011–12	2012–13	2013–14	2014–15	2015–16	2016–17	2017–18	2018–19	2019–20
NT										
\$ general purpose	14,733,572	15,224,579	15,518,239	16,449,092	16,573,314	15,930,250	16,170,566	16,560,517	16,925,686	17,283,550
\$ to minimum grant councils	2,555,872	3,239,988	2,714,718	2,889,253	2,938,751	2,939,595	2,918,549	3,005,630	3,142,263	3,229,753
% to minimum grant councils	17.4	21.3	17.5	17.6	17.7	18.5	18.0	18.1	18.6	18.7
Population per jurisdiction	218,635	220,753	223,443	227,963	233,399	231,833	237,252	238,271	239,151	238,475
Population for minimum grant councils	126,424	156,597	130,295	133,471	137,953	140,441	142,735	144,149	147,995	148,545
% of population in minimum grant councils	57.8	70.9	58.3	58.6	59.1	60.6	60.2	60.5	61.9	62.3
Minimum grant councils/No. LGBs	4/16	6/16	5/16	5/16	5/18	5/18	5/18	5/18	4/18	4/18
Australia										
\$ general purpose	1,406,655,200	1,430,105,460	1,487,899,682	1,559,099,331	1,559,107,959	1,557,429,132	1,548,502,855	1,612,901,096	1,688,712,055	1,723,820,084
\$ to minimum grant councils	155,473,320	174,492,170	189,383,606	205,045,473	206,184,217	211,054,045	204,070,289	221,211,694	232,938,861	246,440,474
% to minimum grant councils	11.1	12.2	12.7	12.7	13.2	13.6	13.2	13.7	13.8	14.3
Population per jurisdiction	21,589,345	21,954,858	22,239,191	22,303,726	22,738,798	23,079,221	23,406,736	23,717,857	24,588,635	24,553,621
Population for minimum grant councils	7,950,181	9,000,292	9,436,529	9,782,151	10,024,453	10,410,632	10,242,665	10,862,471	11,304,050	11,697,757
% of population in minimum grant councils	34.3	41.0	42.4	43.1	44.1	45.1	43.8	45.8	46.0	47.6
Minimum grant councils/No. LGBs	97/565	103/564	102/564	97/568	104/570	106/570	97/545	97/545	100/545	99/545

Notes: 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, Transport, Regional Development, Communications and the Arts.

Comparing councils

Local Government Grants Commissions in each state and the Northern Territory use different methodologies to allocate funding to each local governing body in their jurisdiction to best meet their unique circumstances while adhering to the requirements of the National Principles and the Act.

Comparing a council's grant allocation both within and across jurisdictions with other similar sized councils is problematic due to the considerable divergence in methodologies used by each local government grants commission.

Local Government Grants Commissions implicitly determine a ranking for each council in their state on the basis of relative need when they allocate the general purpose grant and the local road grant to councils. An analysis of the grant per capita for the general purpose component can be used to compare relative need (Appendix E). Appendix E also shows the local road grant, where allocations for each council are divided by their length of local road to obtain a relative expenditure needs measure.

Councils are ranked from the greatest assessed relative need to the least assessed relative need. For each state and the Northern Territory, the positions and values of the average general purpose grant per capita and the average local road grant per kilometre are also shown at the top of the ranking of councils. These state averages are taken from Table 12 and Table 13.

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 to local governments can lead to significant fluctuations in the funding provided to individual local governing bodies. Changes in Local Government Grants Commission methodologies to improve allocations, most likely to achieve horizontal equalisation, can also lead to fluctuations. As unexpected changes in annual funding allocations can impede efficient planning by local governments, Local Government Grants Commissions have adopted policies to ensure that 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 in grants, may be used to limit year-to-year variations.

The minimum grant principle does not operate to cap or limit increases, in a council's general purpose allocation, to an amount above the legislated minimum amount for the current year.

A Local Government Grants Commission can determine that a council receive an increase or a decrease in funding beyond the caps implemented to address exceptional circumstances.

Reviews of Local Government Grants Commission methodologies

While the 2001 Commonwealth Grants Commission review of the operations of the Act did not result in any changes to the Act, it did reinforce the need for regular review of the methodologies used by local government grants commissions to achieve consistency with the principles of relative need, other grant support and Aboriginal and Torres Strait Islander peoples (Commonwealth Grants Commission 2001).

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 undertake reviews of their methodologies.

Since the Act commenced in July 1995, all Local Government Grants Commissions have undertaken major reviews of their methodologies. (see Table 15 below)

Table 15 Status of most recent major methodology reviews by state, as at 30 June 2020

State	General purpose grants	Local road grants
NSW	<p>Most recent major review conducted between 2014–18.</p> <p>No major changes to the methodology were implemented in 2019–20.</p> <p>To smooth the transition from the transition of a revised model adopted in 2018–19, no council's allocation decreased from 2017–18 and increases were capped at 5 per cent.</p>	<p>No major changes to the methodology were implemented in 2019–20.</p>
Vic	<p>Most recent major review conducted in 2016–17.</p> <p>No major changes to the methodology were implemented in 2019–20.</p> <p>In 2019–20, the Commission decided to increase the part-time residents (non-residents) weighting applied to the population dispersion cost adjutor from 10 to 20 per cent for the Family and Community Services expenditure function. There were also increases to the minimum population (to 15,000) for councils with a population of less than 7,500 for the Environment, and Business and Economic Services functions.</p>	<p>Most recent major review was conducted in 2012–13.</p> <p>No major changes to the methodology were implemented in 2019–20.</p>
Qld	<p>Most recent major review was implemented in 2011–12.</p> <p>No major changes to the methodology were implemented in 2019–20.</p> <p>However, the Commission endorsed new heavy vehicle weightings, as supplied by the Queensland Department of Transport and Main Roads, which will take effect in the calculation of the 2020–21 FA Grant.</p>	<p>Most recent major review was implemented in 2004–05.</p> <p>No major changes to the methodology were implemented in 2019–20.</p>
WA	<p>Most recent major review was implemented in 2012–13.</p> <p>No major changes to the methodology were implemented in 2019–20.</p> <p>However, data was updated to reflect the new 2016 census input data.</p>	<p>Most recent major review was implemented in 2012–13.</p> <p>No major changes to the methodology were implemented in 2019–20.</p>
SA	<p>Most recent major review was completed in June 2013.</p> <p>No major changes to the methodology were implemented in 2019–20.</p> <p>The Commission relaxed constraints to the grant recommendations for 2019–20 that were used to accommodate the indexation freeze. Constraints ranged between negative 3 per cent and positive 14 per cent.</p>	<p>Most recent major review was completed in June 2013.</p> <p>No major changes to the methodology were implemented in 2019–20.</p>
Tas	<p>Most recent major review commenced in 2021 and is ongoing.</p> <p>No major changes to the methodology were implemented in 2019–20.</p>	<p>Most recent major review commenced in 2021 and is ongoing.</p> <p>No major changes to the methodology were implemented in 2019–20.</p>
NT	<p>Most recent major review was completed in 2012–13.</p> <p>No major changes to the methodology were implemented in 2019–20.</p> <p>In 2019–20, the Commission included a 'loss assist factor' into the methodology. This was applied to councils who received a loss greater than 5 per cent of grant funding. Six councils benefited from this, totalling \$389,224. The Commission will review the applicability of this parameter for 2020–21.</p>	<p>Most recent major review was conducted in 2012–13.</p> <p>No major changes to the methodology were implemented in 2019–20.</p>

Source: Submissions provided by jurisdictions to the Department of Infrastructure, Transport, Regional Development, Communications and the Arts.

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 presented to the Commonwealth Parliament on the operations of the Act. The report must include an assessment of the performance of local governments, including their efficiency, based on comparable national data.

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 has 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. Below is a summary of the information provided by each jurisdiction in relation to the reporting requirements of the Act. The information provided by each jurisdiction is in Appendix B.

Developments in long-term financial and asset management plans

Jurisdictions were asked to report on developments in the use of long-term financial and asset management plans by local government during 2019–20. A summary of the progress for each jurisdiction follows.

Local councils in **New South Wales** report under an integrated planning and reporting (IP&R) framework to improve strategic planning, including long-term financial and asset management planning. This framework requires councils to prepare a suite of plans including a Long-Term Financial Plan (10 years+) and an Asset Management Policy and Strategy Plans (10 years+).

In 2019–20, the NSW Government continued to provide oversight and support for councils developing and implementing Long-term Financial and Asset Management Plans to improve their financial sustainability.

In **Victoria**, following the introduction of the Fair Go Rates System (FGRS) from 1 July 2016, an annual cap is applied to rate rises by councils. For 2019–20 a cap of 2.5 per cent was applied compared to 2.25 per cent for 2018–19.

The Finance and Accounting Support Team (FAST) program, which concluded on 30 June 2020, aimed to build capability within councils and supported development of plans, processes, documents and projects that support effective and sustainable management. An independent program evaluation was conducted in early 2020 and included findings and recommendations for future programs.

The Rural Council Transformation Program, launched in August 2018, provided a \$20 million fund to encourage transformation across rural and regional Victoria. The magnitude and complexity of these reform initiatives will require implementation over a number of financial years.

The *Local Government Act 2020* introduced legislative requirements for all Victorian councils to develop and adopt a 10-year Financial Plan and a 10-year Asset Plan. Both plans must be subject to community engagement including deliberative engagement practices. An extensive program of co-design is intended to support councils in the development of their strategic financial and asset management plans.

In **Queensland**, all local governments are required to have long-term financial forecasts and to prepare and adopt long-term asset management plans. In October 2016, the Auditor-General of Queensland tabled a report, on forecasting long-term sustainability of local government, containing recommendations for improvement. Individual local governments in Queensland continue to implement those recommendations where appropriate.

The **Local Government Association of Queensland** (LGAQ) reported that councils, LGAQ and other agencies, such as the Queensland Audit Office (QAO), continue to advocate for financial and other resources to be made available to assist constrained councils to tighten and upgrade controls in the areas of finance, risk, IT security, procurement and governance – and to develop even more robust asset management and financial forecasting plans.

In **Western Australia**, all local governments are required to have an adopted Strategic Community Plan and a Corporate Business Plan. These are supported and informed by resourcing and delivery strategies, including an Asset Management Plan, a Long-Term Financial Plan and a Workforce Plan, which may be adopted as part of the Integrated Planning and Reporting (IPR) Framework and the Advisory Standard established by the State Government. The Department of Local Government, Sport and Cultural Industries (DLGSC) continues to monitor that Strategic Community Plans and Corporate Business Plans are being reviewed within prescribed, required timeframes.

The **Western Australian Local Government Association** (WALGA) produce the Local Government Road Assets and Expenditure Report with assistance from the WA Local Government Grants Commission. The expenditure statistics in the report provide comparisons that furnish insights into the adequacy of funding and the difference between road preservation needs and current expenditure on road preservation. In addition, WALGA also released a template Financial Hardship Policy and prepared a template Financial Hardship Policy Implementation Guide.

In **South Australia**, each one of the state'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 SA** (LGASA) continued to provide advice and assistance to the sector in 2019–20 through resources that were developed and distributed during its previous Financial Sustainability Program (FSP) (2005–2017). In addition, during 2019–20, a number of small regional councils received a subsidy to enable the attendance of council members and staff at relevant training courses which would improve their core financial and asset management skills.

In **Tasmania**, the Local Government Division in the Department of the Premier and Cabinet continues to monitor statutory compliance with the requirement set out under sections 70 (long-term financial management plans) and 70B (long-term strategic asset management plans) of the *Local Government Act 1993*.

In the **Northern Territory**, four Regional Roads Committees (RRCs) were established across the Territory facilitated by the then Department of Local Government, Housing and Community Development and include the Department of Infrastructure, Planning and Logistics, regional councils, municipal councils and the **Local Government Association of the Northern Territory** (LGANT).

In 2019–20, the RRCs worked to help local and Northern Territory governments better meet local road and access needs by coordinating information and resources. These committees have shared technical expertise and started joint planning of road network repairs and road safety initiatives. A priority for all committees is the spatial mapping of roads and improving road planning and management between the Northern Territory Government and local governments, which enhances collaboration and sharing of resources.

In 2019–20, the **Australian Capital Territory** Government's Infrastructure Planning and Advisory Committee (IPAC) continued to work on a coordinated long-term strategy for Canberra's infrastructure for government consideration.

In 2019–20, work has been undertaken to migrate to a new Asset Management Information System. The new system will be implemented to improve consistency and approach to asset management in order to provide a feedback loop to the public.

The **Australian Local Government Association** (ALGA) reported that, over the past decade, all state and territory governments have implemented programs and policies to assist councils to focus on long-term financial and asset management practices. This is in line with agreements made by the Local Government and Planning Ministers Council in the mid-2000s.

In 2019–20, councils face considerable difficulties in maintaining and renewing their assets at the same time as providing the other services that are expected by local and regional communities and other levels of governments.

During 2019–20, ALGA commissioned the Institute of Public Works Engineering Australasia (IPWEA) to undertake an update of the 2018 National State of the Assets Report which includes a survey of all local governments. This updated report will be released in 2020–21.

Performance measures between local governing bodies

All local governments have a legal requirement to report on their performance under their jurisdiction's local government legislation. This 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 within their jurisdiction. This information is collected either by the responsible agency or by the Local Government Grants Commissions.

For this National Report, state and territory governments and local government associations were asked to report on measures undertaken in 2019–20 to develop and implement comparative local government performance indicators. A summary of these reports for each jurisdiction follows.

The publication of freely available time series data by the **New South Wales** (NSW) Government on NSW local councils has now been available for over thirty years. This enables comparisons, against a range of performance indicators, between councils and over time.

In September 2019, the NSW Government launched the *Your Council* website which draws on data already collected by the Office of Local Government (OLG), from NSW councils and other agencies and presents it in an easy-to-understand and user-friendly way. It will be updated annually as new data becomes available. The website provides comprehensive statistics on the operations of NSW councils and the data for each council is also benchmarked against the average for like councils so ratepayers can compare how their council is performing.

In **Victoria**, the *Know Your Council* website (www.knowyourcouncil.vic.gov.au), supported by the state's Local Government Performance Reporting Framework (LGPRF), requires all Victorian councils to annually collect and report their data against 59 performance indicators. On 2 December 2019, the 2018–19 data was released publicly with 6,300 users visiting the site in the first 72 hours. As well as comparing councils, users can view trend data in addition to reading commentary from council explaining the context of their performance results.

The provision of information by the **Queensland** Government to the community through the Queensland Local Government Comparative Information Report continued in 2019–20. This report assists local governments to develop effective ways to deliver their services by providing a tool to monitor trends over time and benchmark services' performance both internally and with other councils.

Comparative data for Queensland councils provided by the **Local Government Association of Queensland** (LGAQ) through its *Ready.Set.Go* and *MyCouncilStory* initiatives was augmented by the release of an online comparative performance service created by the Queensland Audit Office (QAO), which provides community access to three years of financial performance data for Queensland councils.

The Association has made a further significant investment in advancing local government procurement through its *Nex Gen Procurement Ecosystem* (Nex Gen). Uptake of Nex Gen has been rapid and ahead of expectations. The service brings together a procurement portal; procurement platform; data analytics; and blockchain.

In **Western Australia**, the *MyCouncil* comparative website provides a place to find out how local governments are raising, spending and managing municipal funds. The website continues to provide data on local government finances and demographics drawn principally from local government audited financial statements and the Australian Bureau of Statistics, with the data being updated annually. *MyCouncil* enables users to compare key demographic and financial information. Data such as council expenditure by program, rates and other revenue and service delivery can be viewed for each council and compared with others. *MyCouncil* also includes information about each local government's financial health using the Financial Health Indicator (FHI).

The **Western Australian Local Government Association** (WALGA) reported that a project commenced that will ultimately result in a condition survey of all roads of regional significance being completed using a consistent or comparable methodology.

In **South Australia**, comparisons between councils on a wide range of data are facilitated by the annual publication by the SA Local Government Grants Commission of annual database reports dating back to 1995–96. These reports are publicly available at <https://www.dit.sa.gov.au/local-government/grants-commission/publications> on the Commission's website.

The Local Government (Financial Management) Regulations 2011 require councils to use three specific financial indicators in their financial planning and reporting – operating surplus ratio, net financial liabilities ratio and asset renewal funding ratio. The Office of Local Government published on its website detailed explanatory information, about each financial indicator, and trend data, covering individual councils for 2019–20, in the Financial Indicators Dashboard.

Each year in **Tasmania**, the Auditor-General undertakes a financial analysis of Tasmanian local government sector entities. The Auditor-General tracks and compares Tasmanian councils' financial sustainability using five key metrics or ratios.

The Local Government Division's Consolidated Data Collection (CDC) continues to be refined and updated each year. This enables data snapshots to be created and published on the Local Government Division website and initial investigation work has been undertaken on the development of a public facing performance dashboard. It is anticipated that in due course the public facing performance dashboard will supersede the publishing of these snapshots in future.

Prior to 2019–20, the **Local Government Association of the Northern Territory** (LGANT) circulated endorsed, sector-wide model financial statements to all councils in the **Northern Territory** to assist with preparing their annual financial statements. Most councils in the Northern Territory used this template as the basis for reporting their 2019–20 annual financial statements.

The **Australian Capital Territory** (ACT) Government does not currently undertake comparative performance measures with other local governments. However, the ACT Government does participate in the *Productivity Commission's Annual Report on Government Services* (the Report). The purpose of this report is to provide information on the equity, efficiency and effectiveness of Government Services in Australia. The Report outlines ACT performance relative to other state and territory jurisdictions on key Government Services.

The **Australian Local Government Association** (ALGA) reported that at the national level there are no overarching systems in place to collect, analyse and compare performance measures across the 537 local councils in Australia. Any performance measures that are in place are currently established and managed by state and territory governments with different methodologies. In the late 1990s Local Government Ministers considered such a system and agreed that it was not feasible, given the significant variation of services across states and territories.

ALGA supports the availability of accurate, timely and consistent data to enable evidence-based research, planning, and outcomes. This approach has also been confirmed in many Parliamentary research reports in recent years.

Efficiency and effectiveness reforms

As part of their reports, jurisdictions were asked to provide information on 2019–20 reforms to improve the efficiency and effectiveness of local government service delivery. A summary for each jurisdiction follows.

In 2019–20, **New South Wales** implemented reforms to strengthen and support the local government sector, particularly in responding to the challenges of the COVID-19 pandemic. The NSW Government also progressed a range of longer-term reforms including:

- starting a review and reform of impounding laws in NSW
- progressing the Government's response to the Independent Pricing And Regulatory Tribunal's (IPART's) review of the local government rating system

- introducing reforms to modernise and improve local government elections
- commencing consultation on a new, mandatory, risk management and internal audit framework for NSW councils
- developing comprehensive guidelines to help councils comply with the new regulatory requirement to webcast council meetings
- commencing consultation on payments to councillors for superannuation.

In **Victoria**, the *Local Government Act 2020* received royal assent on 24 March 2020. The new Act is the most ambitious reform to the local government sector in over 30 years. It will improve local government democracy, accountability and service delivery for all Victorians and is intended to create a legislative environment that embraces innovation, modern business practices and microeconomic reform.

The *Local Government Act 2020* is being proclaimed in four stages between April 2020 and July 2021.

In June 2020, **Queensland's** Legislative Assembly passed the *Electoral and Other Legislation (Accountability, Integrity and Other Matters) Amendment Act 2020*, which contained measures to improve the integrity, transparency, diversity and consistency of local governments in Queensland.

During 2019–20, a number of provisions in the *Local Government Legislation Amendment Act 2019* in **Western Australia** took effect, including mandatory training for elected members and candidates, a new framework for the receipt and disclosure of gifts, and greater transparency with a wide range of information being required to be published on local government websites.

On 21 April 2020, the *Local Government Amendment (COVID-19 Response) Act 2020* received royal assent. It allows local governments to suspend a local law to temporarily remove local restrictions where such action may be beneficial to the district during the state of emergency.

The **Western Australian Local Government Association** (WALGA) reported that in 2019–20 its RoadWise Program commenced development of a project to demonstrate the ways local government can apply safe system principles to proactively manage road safety performance. In addition, Courtesy Speed Display Signs (CSDS) were made available to local governments to install in targeted areas to promote safer local streets, and together with Main Roads WA, WALGA developed a framework that sets out a procedure for the performance, reporting and monitoring of inspections of all bridges.

During a state of emergency, WA made Tender regulations amendable in particular circumstances and allowed council meetings to be held electronically. In addition, Long Service Leave Regulations were made more flexible during a state of emergency.

In **South Australia**, the Local Government Research and Development Scheme continued as a primary source of funding for research in local government. From its inception in 1997, until 30 June 2020, the Scheme had approved over 750 projects, with approximately \$31 million in approved funding.

The Statutes Amendment (Local Government Review) Bill 2020 (the Bill) was introduced into Parliament on 17 June 2020. The Bill represents the most significant changes to the local government system since the Local Government Act was passed in 1999. The **Local Government Association of South Australia** (LGASA) will continue consulting with member

councils and working with the Government and Parliament in 2020–21 to ensure that any legislative reforms drive downward pressure on rates and support councils to deliver even better value for communities.

The South Australian Productivity Commission's (SAPC's) Final Report on its Inquiry into Local Government Costs and Efficiency was provided to the Premier on 22 November 2019. The State Government published its response to the SAPC's Final Report on 20 February 2020. The Commission's Final Report found that 'compared with each other, most councils achieved high levels of relative efficiency'. The report made a number of recommendations and the LGASA is continuing to work with the Government and member councils to respond to these recommendations and implement best practice reforms that are supported by members.

In **Tasmania**, following an agreement at the Premier's Local Government Council, the **Local Government Association of Tasmania (LGAT)** undertook a body of work which culminated in the release on 21 May 2019 of the *21st Century Councils – Structural Reform Discussion Paper*. This work, and that which followed it, have already proven useful for LGAT's engagement with the Premier's Economic and Social Recovery Advisory Council (PESRAC) and provide important context for any future reform discussions with the State Government. Phase 2 of the Review of Tasmania's Local Government Legislative Framework commenced with the release of a Reform Directions Paper in July 2019. Phase 3 commenced with the Government announcing 48 reforms to Tasmania's local government legislative framework.

The COVID-19 pandemic emergency impacted drafting and consultation timeframes. However, the delay provided an opportunity to reflect on the pandemic response experience to support the local government sector during the COVID-19 pandemic.

On 30 April 2020, the Premier established PESRAC to provide advice to the Tasmanian Government on how to best support Tasmania's short, medium and long-term recovery for COVID-19.

In response to the COVID-19 pandemic, the **Northern Territory Government** introduced a range of initiatives to support local government councils to ensure they continue to deliver essential council services whilst operating under restrictions imposed by National Cabinet. A major focus of the Department this financial year was the development of the new *Local Government Act 2019* (which was passed on 28 November 2019) and new Local Government Regulations to replace the *Local Government Act 2008* and current Local Government Regulations.

The legislation aims to streamline and modernise local government rules and processes and to improve local decision making.

Legislative reforms were due to commence on 1 July 2020 but due to the COVID-19 pandemic, the rollout was postponed to 1 July 2021.

In 2019–20, the **Local Government Association of the Northern Territory (LGANT)** has:

- represented local government interests on the COVID-19 Regional and Remote Taskforce (the Taskforce) which met weekly since early March 2020
- worked collaboratively with local government and the NT Government to secure financial support measures of \$13.1 million during the pandemic
- conducted a Waste Management Forum in Darwin on 3 December 2019 which included participants from 10 councils who actively shared outcomes and lessons in the development of waste and litter management plans, waste emergency procedures and operational procedures

- facilitated a Procurement Symposium that included the participation of 33 individuals from 10 local government councils.

In 2019–20, the **Australian Capital Territory (ACT) Government** implemented a number of reforms to improve the efficiency and effectiveness of service delivery which included a variety of responses to the COVID-19 public health emergency and 2019–20 bushfires; extension of the Energy Efficiency Improvement Scheme to 2030; work to reduce carbon emissions by eight per cent in line with the ACT Government's Carbon Neutral Government program; commitment of an additional \$8.9 million over two years for general property and energy efficiency upgrades for public housing properties; and launched the Community Referred Respite Assistance Program.

The **Australian Local Government Association (ALGA)** and its state and territory associations strongly support regional collaboration and shared services. ALGA opposes forced council amalgamations as a demonstrably failed policy.

Councils and communities around Australia are embracing new technologies. Councils are developing more sophisticated websites and mobile apps to enhance service provision to their communities. For local government there are some significant gains from coordinated approaches to Information Communication Technology (ICT).

Some councils were signatories to the Federal Government's City or Regional Deals which facilitate a partnership between the three levels of government to work towards a shared vision for a place, town or region. During 2019–20, these deals were being implemented. The City and Regional Deal model provides greater coordination, certainty and efficiency of infrastructure provision.

04

Aboriginal and Torres Strait Islander communities

Reporting requirements

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

Section 16 of the Act requires an assessment, based on comparable national data, of the delivery of local government services to Aboriginal and Torres Strait Islander communities.

Each year jurisdictions are asked to report on initiatives undertaken to promote the delivery of local government services to Aboriginal and Torres Strait Islander communities. Below is a summary of the information provided by each jurisdiction in relation to the reporting requirements of the Act. The information provided by each jurisdiction is in Appendix B.

Closing the Gap

In December 2008, the Council of Australian Governments (COAG) pledged to close key gaps in outcomes between Indigenous and non-Indigenous Australians. It recognised that a concerted national effort was needed to address Indigenous disadvantage in key areas. Six Closing the Gap targets were introduced, contained within an overarching Commonwealth and state and territory agreement called the National Indigenous Reform Agreement. A school attendance target was added in 2014 and an expanded early childhood target was added in 2015 following the expiry of the remote early childhood education target in 2013.

In 2017, the Australian Government began working on the Closing the Gap Refresh, which comprised a new framework and targets for the next ten years. This future facing agreement, like its predecessor, has been a collaboration between the Commonwealth, state and territory governments, Aboriginal and Torres Strait Islander people, and the Australian Local Government Association, which partnered closely with representatives of the Coalition of Aboriginal and Torres Strait Islander Peak Organisations. The Closing the Gap Report for 2020 both acknowledges the future framework and reports progress against the original targets set in 2008.

Broadly, local governments have reported some progress against the 2008 Closing the Gap targets, acknowledging that for every key area that has seen an improvement, another key area remains a concern. In summary:

- **Not on track:** The target to close the gap in life expectancy by 2031 is not on track.
- **Not strong enough:** The target to halve the gap in child mortality rates by 2018 has seen progress in maternal and child health, although improvements in mortality rates have not been strong enough to meet the target.

- **More progress needed:** The target to halve the gap for Indigenous children in reading, writing and numeracy within a decade (that is, by 2018) has driven improvements in these foundational skills, but more progress is required.
- **No improvement** in school attendance rates to close the gap between Indigenous and non-Indigenous school attendance within five years (that is, by 2018).
- **No improvement** in the national Indigenous employment rate which has remained stable against the target to halve the gap in employment outcomes between Indigenous and non-Indigenous Australians within a decade (that is, by 2018).
- **Target on track:** The target to have 95 per cent of Indigenous 4-year-olds enrolled in early childhood education by 2025 is on track.
- **Target on track:** The target to halve the gap for Indigenous Australians aged 20 to 24 in Year 12 attainment or equivalent by 2020 is on track.

The information above reflects the state of affairs to the end of the 2020 calendar year. It builds on information published in Local Government National Reports for financial years prior to 2019–20 by adding information sourced from the published Closing the Gap Report for 2020. A copy of the latter report, and further information on the current agreement and targets, can be found at www.closingthegap.gov.au.

State, territory and local government initiatives

Jurisdictions and local government associations provided an outline of key activities undertaken by them to improve the provision of local government services to Indigenous peoples in 2019–20.

In **New South Wales**, councils must develop a Community Engagement Strategy which includes how they will engage with hard-to-reach groups. The strategy should ensure that all groups, including Aboriginal and Torres Strait Islander people, have an opportunity to be heard. In this way, the Integrated Planning and Reporting (IP&R) framework helps councils to work in partnership with the NSW Government and others to improve outcomes for Aboriginal and Torres Strait Islander people in NSW.

To support inclusion of Aboriginal communities in council decision-making, service development and delivery, a Collaborate NSW website and resource kit have been developed and launched. The website provides information and advice to build council understanding of local Aboriginal culture and ways of doing business, and to provide advice to Aboriginal and Torres Strait Islander people about how to become more involved in their council, including by nominating to be elected as a councillor.

In **Victoria**, the Victorian Aboriginal and Local Government Action Plan (the Action Plan) provides a framework to assist councils to engage and partner with Aboriginal communities and organisations and is a toolkit listing resources and best practice case studies. The Action Plan lists 23 actions that have largely been achieved since its launch in 2016, through partnership between state government agencies, Aboriginal and other community organisations and councils.

Mifsud Consulting together with Bastion Communications were engaged to undertake a review and development of the five-year Victorian Aboriginal and Local Government Strategy. Extensive and wide-ranging consultation forums informed the development of the draft Victorian Aboriginal and Local Government Strategy. Further work in finalising the draft Strategy is planned for 2020–21 to ensure the Strategy incorporates contemporary State Government and Aboriginal policies and frameworks.

The **Queensland** Government continued to provide funding to Indigenous councils to support the provision of local government services to their communities. In 2019–20, \$35.410 million was the funding available for the State Government Financial Aid program for the state's 16 Indigenous councils. Each council received 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.

Additionally, the Indigenous Councils Critical Infrastructure Program (ICCIP) is a \$120 million funding program that will deliver critical water, wastewater and solid waste infrastructure over four years.

Project work commenced in July 2019 on the Queensland Government's 2019–2021 Works for Queensland Program. The \$200 million 2019–21 program was allocated to 65 councils with \$26.590 million being allocated to Queensland's 16 Indigenous councils.

Other funding provided by the Queensland Government to Indigenous councils in 2019–20 included \$3.525 million under the Revenue Replacement Program, an initiative under the State's alcohol-related harm reduction strategy for nine Indigenous local governments which compulsorily surrendered their council-held liquor licences in 2009. Funding was provided under this program to assist councils to maintain community services previously funded by the profits from alcohol sales.

Under the Indigenous Economic Development Grant program, with total funding of \$1.44 million, the state continued its commitment to support Indigenous councils to employ municipal services staff. Each eligible council received \$80 000, except for Yarrabah and Palm Island Aboriginal Shire Councils and Northern Peninsula Area Regional Council, which each received \$160,000.

Twelve priority infrastructure projects totalling \$10.5 million were approved for nine Indigenous council areas under the 2019–2021 Local Government Grants and Subsidies program.

The **Local Government Association of Queensland** (LGAQ) has advised that the Queensland Audit Office (QAO) provides a report annually on the financial wellbeing of councils. Each year the QAO reports that the majority of Aboriginal and Torres Strait Islander councils in Queensland are at a high risk of being financially unsustainable. These councils have no rate base and are heavily reliant on government grants to underpin basic service delivery to their communities.

In **Western Australia**, a Partnership Agreement was signed in April 2019, outlining how Aboriginal representatives would work in partnership with governments to design a new Closing the Gap framework.

In March 2020, the Western Australian Multicultural Policy Framework (WAMPF) was launched. The outcomes-focused framework sets out practical and measurable ways public sector agencies can ensure their operations and services are inclusive and accessible for everyone, no matter what their first language or cultural heritage may be.

In September 2019, Gnarla Boodja Mili Mili (Our Country on Paper) was launched. This is an online, interactive map that comprehensively documents traditional Aboriginal place names in central Perth to record and preserve traditional knowledge.

In 2019–20, the **Western Australia Local Government Association** (WALGA) hosted the Building Positive Partnerships with Aboriginal Communities Forum to assist local governments to develop strong, ongoing relationships with local Aboriginal communities that recognise shared cultural heritage, build community capacity and celebrate success.

WALGA facilitates the WA Local Government Reconciliation Network which brings together WA local government officers working in reconciliation and Aboriginal projects and whose purpose is to share peer-to-peer advice and learnings, offer support and encouragement, explore opportunities for partnership and collaboration between local governments, and coordinate meetings and events.

WALGA also hosted a webinar to highlight how the use of Aboriginal language and place names assists with promoting broader community awareness of Aboriginal history and culture, and to look at the significant role local government can play in this area.

In addition, in partnership with the Department of Planning, Lands and Heritage, WALGA hosted a webinar on the new Aboriginal heritage legislation for Western Australia in March 2020. The webinar provided an opportunity to update local governments on the new legislation and seek feedback on support requirements to assist with compliance.

In **South Australia** during 2019–20, the LGASA worked with Reconciliation SA to deliver a Local Truth Telling Workshop for Elected Members and council staff.

The Municipal Services program for Aboriginal lands is now administered by the Office of Local Government, SA Attorney-General's Department. Over 2019–20, \$2.9 million (ex GST) was provided to deliver municipal services.

Of the 17 service providers funded, 4 are local councils or a similar body, including:

- Berri Barmera Council for services to the Gerard Aboriginal community
- the District Council of Yorke Peninsula for services to the Point Pearce Aboriginal community
- the District Council of Coober Pedy for services to the Umoona Aboriginal community
- the Outback Communities Authority for services to the Dunjiba Aboriginal community.

During 2019–20, councils in **Tasmania** continued to undertake a range of activities to support local Aboriginal communities, including through reduced rents on the use of premises.

The **Northern Territory** Government reported that in 2019–20 the Minister for Local Government, Housing and Community Development approved the establishment of a new local authority for Robinson River. The primary role of local authorities is to offer community members living in regional and remote communities a stronger local voice and input on service delivery outcomes for their respective communities.

Grant funding of \$5.472 million was allocated across the nine regional councils, to assist with funding priority projects as identified by their respective local authorities, with a further \$7.9 million under the Indigenous Jobs Development Fund allocated to nine regional councils and one shire council, to assist with subsidising 50 per cent of the cost of employing Aboriginal staff within their respective councils.

Department officers in the Community Development Team worked with all regional councils to support effective regulation and governance, and the development of targeted plans within each region for governance capability development ahead of the commencement of the new *Local Government Act 2019*.

The **Local Government Association of the Northern Territory** (LGANT) reported that most Aboriginal communities are located within Regional Council (RC) areas. In addition to the services offered by all local governments to communities in the NT, Regional Councils provide a range of additional community services and programs to remote communities.

This is enabled either through contractual arrangements with NT and Commonwealth agencies for service provision or community program funding obtained through Commonwealth and NT funding programs.

Grant monies from Commonwealth and NT Government funding programs enable RCs to offer remote communities a range of local community programming. The regional and shire councils are the largest employer of Aboriginal people in regional and remote areas with 60 to 80 per cent of the workforce made up of Aboriginal people. These councils receive in excess of 90 per cent of their revenues from government grants.

In the **Australian Capital Territory**, the final report of the *Our Booris, Our Way Review* was presented to the Minister for Children, Youth and Families, Ms Rachel Stephen-Smith at the ACT Legislative Assembly on 17 December 2019, marking the end of the first phase of that Review. Minister Stephen-Smith approved an interim Implementation Oversight Committee that monitored the progress of recommendations. The Government agreed to an initial 15 interim recommendations. These were immediate opportunities for learning and change, and these have been accepted or agreed in principle and are either being implemented or comprehensively considered in line with other related reforms or initiatives.

The Office for Aboriginal and Torres Strait Islander Affairs (OATSIA) worked closely with Gugan Gulwan Youth Aboriginal Corporation in 2019–20 to identify suitable accommodation options, through a feasibility study, to meet its ongoing needs to deliver the range of services for Aboriginal and Torres Strait Islander young people and families. The final feasibility report was provided to the Government and the Gugan Gulwan Board.

In 2019–20, a number of initiatives were undertaken by the ACT Government to progress its commitment to support, partner and resource the Aboriginal and Torres Strait Islander community to improve responses to domestic and family violence in the community. These included:

- the creation of an Aboriginal Project Officer in the Office of the Coordinator-General for Family Safety
- the tabling in the ACT Legislative Assembly of a Ministerial Statement of Commitment to address issues in the *We Don't Shoot Our Wounded* and *Share What You Know* reports
- the commencement of start-up resourcing for the Aboriginal and Torres Strait Islander Reference Group of the Domestic Violence Prevention Council to assist with their community consultation, and prioritisation and design of immediate actions to address issues in the *We Don't Shoot Our Wounded* and *Share What You Know* reports.

The **Australian Local Government Association** (ALGA) reported that while local governments have general responsibilities for the provision of local services and infrastructure to all Australians including Aboriginal and Torres Strait Islanders¹, generally the Commonwealth and states and territories have the primary responsibility for the provision (and funding) of government services and infrastructure to Indigenous people and Indigenous communities, particularly remote Indigenous communities.

A National Partnership Agreement on Remote Indigenous Housing with the NT Government committed \$110 million each year for four years from 2018–19. However, ALGA remains concerned that the continuation of this Agreement is not assured across all jurisdictions and has called for this critical partnership agreement to be renewed with adequate funding and long-term certainty.

¹ Broadly by definition, councils have a responsibility for the provision of local government services and infrastructure in Indigenous communities, but this is limited to the extent that they are empowered and resourced by state and territory governments.



Appendix A

National Principles

Under section 3 of 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
- 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 the National Principles. The National Principles are set out in Figures 5 and 6. Figure 7 describes the horizontal equalisation National Principle in 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 (in section 6(1)) for the Australian Government Minister responsible for local government (the Federal Minister) 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 the 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 5 National Principles governing allocation by states and the Northern Territory among local governing bodies – general purpose

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 (Cth)* (the Act) among local governing bodies, are as follows:

1. Horizontal equalisation

The general purpose component 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 each local governing body in the 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 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 to assess the expenditure requirements and revenue-raising capacity of each local governing body. This means, as far as practicable, that policies of individual local governing bodies in terms of expenditure and revenue effort will not affect grant determination.

3. Minimum grant

The minimum general purpose 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 the general purpose grant 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.

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 and Torres Strait Islander peoples

Financial assistance shall be allocated to councils in a way that recognises the needs of Aboriginal and Torres Strait Islander peoples 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.

Figure 6 National Principles governing allocation by states and the Northern Territory among local governing bodies – identified local road

B. Identified local road

The National Principle relating to allocation of the amounts payable under section 12 of the Act (the identified road component of the financial assistance grant program) 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 use of roads in each local governing area.

Figure 7 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 Federal Minister, in formulating the National Principles, to have regard to the need to ensure that general purpose 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.



Appendix B

Jurisdictional submissions

This appendix contains the submissions from state and territory governments and local government associations. These submissions remain unchanged save for the standardisation of headings and minor edits to achieve consistency.

The Act requires that the relevant State or Territory Minister and bodies representative of local government be consulted when preparing this report.

All state and territory governments and local government associations were invited to make submissions. Individual submissions were received from all states and territories and some local government associations. Submissions are provided below.

Report from the New South Wales Government

New South Wales methodology for distributing Financial Assistance Grants for 2019–20

The New South Wales Local Government Grants Commission's (the Commission) distribution methodology of the financial assistance (FA) grants has been under review since 2013. As a result, in 2018–19 the Commission commenced transitioning to a revised version of the existing model of the expenditure allowance in the general purpose component. All other elements of the methodology are being retained. The two components of the grant are distributed on the basis of principles developed in consultation with local government and are 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 Commission uses the direct assessment method. This approach considers cost disabilities in the provision of services on the one hand (expenditure allowances) and makes an assessment, of councils' relative capacity to raise revenue on the other (revenue allowances). The relative need is determined by comparing each council's individual measure against the state average measure.

Cost disabilities in the provision of services (expenditure 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 councils' control. To be consistent with the Effort Neutral Principle, council policy decisions concerning the level of service provided, or if there is a service provided at all, are not considered.

This year is the second year of a transition period to the revised model. The transition has been entered into to smooth the impact of changing grant outcomes. The current transition approach is to apply a 5 per cent upper limit on increases and a zero per cent lower limit on a council's previous general purpose component. No council is receiving a decrease during the transition. Expenditure allowances were calculated based on six council services. These services are: 'recreation and cultural', 'administration and governance', 'community and amenity', 'community services and education', 'roads bridges and footpaths', and 'public order, safety health, and other'.

An additional allowance is calculated for councils outside the Sydney statistical division that recognises the additional cost of isolation and the formula uses population, a council's distance from Sydney, distance from the nearest regional centre and a five-year rolling averaged, additional expenditure.

The general formula for calculating the expenditure allowances is:

$$\text{No. of units} \times \text{standard cost} \times \text{disability factor}$$

where:

- The number of units is the measure of use for the service for the council and the number of units is the population.
- The standard cost represents the state average cost per unit for each of the five selected services. The calculation is based on a state-wide average of councils' gross operational costs, using selected items from the Net Cost of Services data reported by councils, averaged over five years.
- The disability factor is the measure of relative disadvantage for the council.

A disability factor is the 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 estimated that it would cost a council twenty per cent more than the standard to provide recreational services, the disability factor would be twenty per cent. Consistent with the Effort Neutral Principle, the 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, using materiality testing, the Commission has identified a variable or a number of variables that are considered to be the most significant in influencing a council's expenditure on that particular service. A key disadvantage is a smaller population. These variables are termed 'disabilities'. A council may have a disability due to inherent factors such as smaller 'populations', higher 'Aboriginal and Torres Strait Islander populations', amount of 'environmental land', 'rainfall, topography and drainage' index score, and 'local road' length. In addition to disabilities identified by the Commission, 'other' disabilities relating to individual councils may be determined. These may arise where circumstances have been identified as a result of holding public hearings with councils or of special submissions. Following the review, there have been no individual cases of discretionary disabilities except for councils eligible for the relative disability allowance. However, the Commission does research issues raised by councils and tests the data, for example, the Socio-Economic Index For Areas (Australian Bureau of Statistics), before making a determination.

The general approach to calculating a disability factor is to take each disability relating to a service and to apply the following formula:

$$\text{Disability Factor} = \left(\frac{\text{Council Measure}}{\text{Standard Measure}} \right)^{\text{Weighting}} - 1$$

where:

- The council measure is the individual council's measure for the disability being assessed against the state average measure.
- The standard measure is the state average measure for the disability being assessed.
- The weighting is calculated to reflect the significance of the measure in terms of the expected additional cost to that function.

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 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. Details of the formula are shown later in this section. 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 a compulsory additional cost. Councils with high proportions of ratepayers who qualify for eligible pensioner rebates are considered to be more disadvantaged than those with a lower proportion.

Relative capacity to raise revenue (revenue allowances)

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, which are based on property values, are the principal source of councils' income. As part of the Commission's review, property values were tested and found to have a strong statistical relationship as a proxy for revenue-raising capacity. Importantly, property values are also considered to be a useful indicator of the relative economic strength of local areas.

The Commission's methodology compares land values per property for the council to a state average value and multiplies the result by a state average rate-in-the-dollar. For comparative purposes, the Commission purchases valuation data that has been calculated to a common base date for all councils by the NSW 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 Commission's approach excludes the rating policies of individual councils (Effort Neutrality Principle).

Separate calculations are made for urban and non-urban properties. Non-rateable properties are excluded from the 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 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. This issue was discussed with the Australian Government and the agreed principles provide that '*revenue allowances may be discounted to achieve equilibrium with the expenditure allowances*' (see the section headed 'Principles' below). As a result, 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 it maintains the relativities between councils established in the initial calculation.

The 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 grants are generally caused by annual variations in property valuations, standard costs, road and bridge length, disability measures and population.

Factors excluded from the general purpose component calculations

The Commission does not consider the requirements of councils for capital expenditure because of the practical and theoretical problems involved. In order to assess capital expenditure requirements, the 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 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 undertook maintenance.

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

The Associations and local government recommended to the Commission that water and sewerage services should not be included in the financial assistance grant distribution principles because:

- not all general purpose 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 Commission agreed and accordingly, water and sewerage services are excluded from the distribution formula.

The Commission views income from council business activities as a policy decision and, therefore, does not consider it in the grant calculations (Effort Neutrality Principle). Similarly, losses are not considered either. Further, the review of the model found no significant statistical relationship between charges and fees and costs to councils.

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

The levels of a council's individual expenditure on a particular service do not affect a council's grants. 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 grants. 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 similar grants. 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 grants. 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.

On 12 May 2016, the former NSW Premier, the Hon. Mike Baird MP, and the former Minister for Local Government, the Hon. Paul Toole MP, announced the creation of 19 new councils in NSW. The number of councils reduced from 152 to 129 due to the mergers. A further amalgamation was announced on 9 September 2016, making a total of 128 local government areas. It is anticipated that, while the data exists, the Amalgamation Principle will continue to apply.

Local road component

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

Formulae

The formulae used to calculate expenditure and revenue allowances of the general purpose component are as follows.

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

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

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 follows:

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

The standard tax rate (ts) is calculated as follows:

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

Pensioner rebates allowances

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

$$Ac = Rc \times Nc \times (Pc - Ps)$$

where: Ac = the allowance for the council
 Rc = the standardised rebate per property for the council
 Nc = the number of residential properties
 Pc = the proportion of eligible pensioner assessments for the council
 Ps = the proportion of eligible pensioner assessments for all councils

The standardised rebate for the council (Rc) is:

$$Rc = 0.25 \times Tc \times ts$$

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

The maximum value for Rc is set at \$125. Tc and ts 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 program of consultation with local government.

The agreed principles are:

1. General purpose grants 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, to Aboriginal communities, equitable treatment in regard to their access and internal local road needs.

1. Urban [metropolitan] area
'Urban 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
'Rural area' means an area not designated as an 'urban area'.
3. Initial distribution
27.54 per cent to local roads in urban areas
72.46 per cent to local roads in rural areas.

4. Local road grant in urban areas

Funds will be allocated as follows:

- 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 as follows:

- 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

- a. Population is based on the most up-to-date Estimated Resident Population figures available from the Australian Bureau of Statistics (ABS).
- b. Road length is based on the most up-to-date data available to the Commission for formed roads, which are councils' financial responsibility.
- c. Bridge length is based on the most up-to-date data available to the 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.
- d. The method of application of the statistics shall be agreed to between representatives of the Local Government Grants Commission of New South Wales and the Local Government Association of New South Wales (LGNSW).

Changes to the methodology for distributing funding for 2019–20 from that used in 2018–19

The NSW methodology for distributing funding in 2019–20 has not essentially changed from that used in 2018–19. However, the model is in transition following the introduction of revisions and improvements to the current methodology in 2018–19.

The New South Wales Local Government Grants Commission (the Commission) remains committed to delivering improved, fairer grant outcomes for more relatively disadvantaged, smaller rural communities. This strategy has been in place since 2013–14. Such communities were generally experiencing declining populations and diminishing rate bases, while retaining responsibility for local assets, often including large road networks. The Commission adopted this approach following its observations during their rounds, of public hearings, visiting councils. In addition, the Commission has remained concerned about the ongoing impact of the National Principle providing 30 per cent per capita minimum grant for the general purpose component. Councils with greater relative need are forgoing funds (that are otherwise allocated to them on a horizontal fiscal equalisation [HFE] basis) in order to raise the level of grants for wealthier metropolitan councils up to the per capita minimum grant.

In 2013, the NSW Independent Local Government Review Panel (Panel) recommended targeting the grants to communities with relative disadvantage, within the constraints imposed by the national funding principles, adding that a transitional period should apply to minimise the impact of any redistribution. The NSW Government supported this recommendation and a major independent review process of the Financial Assistance Grant methodology followed. Also, a period of consultation with councils about the review and recommendations began, which is an ongoing process. Progressing out of the transition has been caught up in unforeseen external factors, predominantly the downturn of the global economy and the flow on effects on the overall level of Financial Assistance Grants, and more recent impacts of the COVID-19 pandemic. However, the Commission remains committed to resuming previous limits on movements to the general purpose component to individual councils, which includes releasing the lower limit to –5 per cent on the previous year's grant.

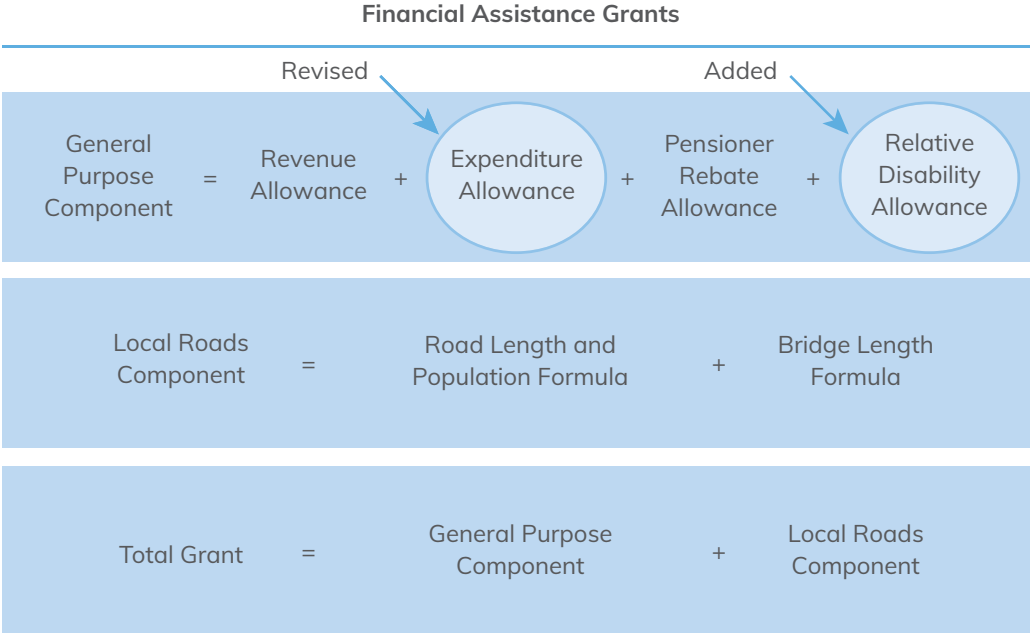
In January 2016, the Office of Local Government (OLG) engaged an independent consultant (the Consultant) to further review the existing funding model, in order to allocate a higher proportion of the grants to councils that have the greatest relative need and to simplify, streamline and modernise the model. Essentially, the review found that the basic methodology did not need to change. It was recommended that the direct assessment approach of the existing model, the local roads component model and also most of the general purpose component all be retained.

However, as the model had become so granular, the Consultant did recommend that the Commission adopt the materiality approach, using regression analysis, to filter out variables included that were not true cost drivers and to estimate the appropriate weighting to apply to the factors that were identified as statistically significant. They revised the model to enable it to deliver on the prerequisites that it:

- is based on genuine cost drivers
- allocates a higher proportion of grant funding to councils with the greatest relative need
- is consistent with the National Principles
- is consistent with NSW Government Financial Assistance Grants allocation policy
- is robust, statistically verifiable and auditable
- uses best practice financial modelling principles
- is transparent and publishable.

In 2018–19, the model was improved by streamlining and simplifying the expenditure allowance of the general purpose component allocation by consolidating the expenditure functions and disability factors using materiality testing. A \$5 million relative disability allowance was introduced for councils with the greatest relative disadvantage.

Figure 8 Overview of New South Wales Funding Allocation Model



Until then, the Commission had been working with a general purpose component with an expenditure allowance comprising 20 functions and 47 disability factors applied to 128 councils. By 2014–15, there were also 234 occurrences of councils receiving additional discretionary disability factor. While those additional discretionary allowances were reduced to 98 by 2016–17, the effect of increasing the functions and disability factors over time had reduced the significance of each factor, resulting in an over-complex and granular model.

The following allowances in the general purpose component were retained:

- the revenue allowance, based on rateable value across two land use categories (urban and non-urban)
- the isolation allowance
- the pensioner rebate allowance
- the stormwater drainage allowance
- the local road maintenance allowance.

All the cost items previously reported by councils are still included and make up the state standards applied to the allowance formula (not what individual councils actually spend). It was recommended to use gross operational costs instead of net operational costs to further ensure the true costs to councils were recognised (revenue raising capacity is recognised through the revenue allowance). All functions and disability factors were considered and after being statistically verified through materiality testing, the revised consolidated sections of the model are as follows.

Table 17 NSW expenditure functions, cost adjustors and weightings

Cost adjustors	Functions					
	Recreation and cultural	Admin and governance	Education and community	Roads, bridges, footpaths and aerodromes	Public order, safety, health and other	Housing amenity
Population	-0.1213	-0.3111	-0.2988	-0.4765	-0.2382	-0.0717
Road length (km)				0.4098		
Rainfall, topography and drainage index					0.5991	
Aboriginal and Torres Strait Islander	0.1201					
Environment (ha)					0.0370	

Note: Population as a cost driver is negative as it is the only driver that measures lower than average score.

The relative disability allowance was introduced in 2018–19 by the Commission to assist in better achieving HFE. After determining the per capita minimum amount, \$5 million (0.9 per cent of the total available) has again been quarantined from the CPI increase. This is allocated to councils eligible for the isolation allowance, councils with population decline and councils with unsealed local roads. One and a half million dollars is applied using the isolation allowance formula, and the remaining \$3.5 million is divided (based on the number of eligible councils) into \$2.688 million for unsealed local roads and \$812,000 for population decline.

By quarantining the relative disability allowance, unlike the rest of the general purpose component, it is able to be applied in its pure value. The other elements of the general purpose component are aggregated, scaled to the available funds, adjusted for the per capita minimum and adjusted for the upper and lower limits. The relative disability allowance is added to the grant after all the adjustments are made. This ensures the allowance is not diluted in the scaling and adjusting processes.

Finally, the capping on upper and lower limits to changes for the year-on-year general purpose component has been adjusted during the transition to the revised model. This helps smooth changes to grant outcomes and is also in accordance with the Panel's recommendations. In recent years, the limits have generally been set at between -5.0 per cent and +5.0 to +7.5 per cent. The Commission determined an adjustment to a lower cap of a zero per cent floor so no council would receive a lower general purpose component, and an upper cap of 5 per cent. As the relative disability allowance is applied after scaling and adjustments, some councils eligible for the allowance received higher than the 5 per cent increase limit. The only other councils receiving more than 4 per cent were minimum grant councils with high population increases including The Council of the City of Sydney, with a percentage increase of 5.4 per cent.

Developments in relation to the use of long-term financial and asset management plans for 2019–20

Local councils in NSW report under an integrated planning and reporting (IP&R) framework to improve strategic planning, including long-term financial and asset management planning.

The IP&R framework requires councils to prepare a suite of plans including a Long-Term Financial Plan (10 years+) and an Asset Management Policy, Strategy and Plans (10 years+).

The Government continues to provide oversight and support for councils developing and implementing Long-term Financial and Asset Management Plans to improve their financial sustainability. The Office of Local Government updated its IP&R guidance material for release early in the 2021–22 year.

The NSW Auditor-General oversees the auditing of councils' annual financial statements to improve the consistency, reliability and quality of financial reporting and public accountability in the local government sector.

The Auditor-General's Report on Local Government 2020 noted that the increase in councils undertaking early close procedures, allowing issues and risks to be addressed early in the financial audit process. This included completing infrastructure, property, plant and equipment valuations and performing fair valuation assessments before 30 June.

The Office of Local Government is continuing to work with and support councils to improve their financial performance, reporting and systems to ensure they are best placed to be able to provide key services and infrastructure to the local community.

The local government sector in NSW now has a solid basis to continually review and improve long-term financial and asset management planning to ensure these plans are effectively implemented as an integrated part of a council's operations.

Actions to develop and implement comparative performance measures for 2019–20

The publication of freely available time series data by the NSW Government on NSW local councils has now been available for over thirty years. This enables comparisons against a range of performance indicators between councils and over time.

Data sources include council financial reports, rating records and Australian Bureau of Statistics' population data. The information collected has also been used to calculate financial assistance grants, analyse councils' financial health and check compliance of rates collected.

Throughout 2019–20, the Office of Local Government continued to work closely with the NSW Audit Office, which plays a key role in conducting financial and performance audits under the *Local Government Act 1993*. This engagement has contributed to improvements in sector financial reporting, including through the Local Government Code of Accounting Practice and Financial Reporting and other guidance, training and support to councils in NSW. Insights from these audits also continue to provide valuable input to ongoing work to develop improved comparative performance measures at a state level over time.

In September 2019, the NSW Government launched the *Your Council* website which draws on data already collected by the Office of Local Government (OLG) from NSW councils and other agencies and presents it in an easy-to-understand and user-friendly way. It will be updated annually as new data becomes available.

The *Your Council* website provides comprehensive statistics on the operations of NSW councils and the data for each council is also benchmarked against the average for like councils so ratepayers can compare how their council is performing.

Moving forward, the Government is continuing work with the local government sector to build a new and robust local government performance measurement framework. The NSW Government is also exploring alternative ways to improve the accessibility of the usefulness of this information.

Reforms undertaken during 2019–20

In these reporting periods, the NSW Government has focused on consolidating key reform priorities to improve council performance, integrity, transparency and accountability, to streamline regulation and to build the strategic capacity of local councils so they are better placed to serve their local communities.

In 2019–20, the OLG implemented reforms to strengthen and support the local government sector, particularly in responding to the challenges of the COVID-19 pandemic. The NSW Government also progressed longer-term reforms by:

- starting a review and reform of impounding laws in NSW
- progressing the Government's response to the Independent Pricing and Regulatory Tribunal's (IPART's) review of the local government rating system
- introducing reforms to modernise and improve local government elections
- commencing consultation on a new, mandatory, risk management and internal audit framework for NSW councils
- developing comprehensive guidelines to help councils comply with the new regulatory requirement to webcast council meetings
- commencing consultation on payments to councillors for superannuation.

Initiatives undertaken and services provided by local government to Aboriginal and Torres Strait Islander communities for 2019–20

NSW councils are required to prepare Integrated Planning and Reporting (IP&R) plans to facilitate strategic planning and delivery of council services to best meet community needs.

The IP&R framework allows councils and communities to respond flexibly to local need and includes a requirement for a community strategic plan to be developed in consultation with groups in the local community and based on principles of social justice.

As part of this process, councils must develop a Community Engagement Strategy which includes how they will engage with hard-to-reach groups. The strategy should ensure that all groups, including Aboriginal and Torres Strait Islander people, have an opportunity to be heard. In this way IP&R helps councils to work in partnership with the NSW Government and others to improve outcomes for Aboriginal and Torres Strait Islander people in NSW.

To support inclusion of Aboriginal communities in council decision-making, service development and delivery, a Collaborate NSW website and resource kit has been developed and launched. This is a joint initiative of the Office of Local Government, NSW Aboriginal Land Council, Aboriginal Affairs NSW, the NSW Department of Planning, Industry and Environment and Local Government NSW, a peak local government sector representative organisation.

The Collaborate NSW website provides information and advice to build council understanding of local Aboriginal culture and ways of doing business and to provide advice to Aboriginal and Torres Strait Islander people about how to become more involved in their council, including by nominating to be elected as a councillor.

Report from the Victorian Government

Victoria Grants Commission methodology: 2019–20 grant allocation

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

Methodology for general purpose grants

The Victoria Grants Commission's methodology for allocating general purpose grants takes into account each council's assessed relative expenditure needs and relative capacity to raise revenue.

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 grant funding is then allocated in proportion to each council's raw grant, taking into account the requirement in the Commonwealth legislation and associated national distribution principles to provide a minimum grant to each council. Increases and decreases in general purpose grant outcomes may be limited in movement which, in turn, 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 grants and so reduce the amount allocated on a formula basis.

Standardised expenditure

Under the 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 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 Commission's model matches the pattern of actual council expenditure.

The total recurrent expenditure across all Victorian councils in 2017–18 was \$8.510 billion. Under the Commission's methodology, the gross standardised expenditure in the allocation model for 2019–20 therefore also equals \$8.510 billion, 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 state 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 shown below.

Table 18 Victoria's major cost drivers and average expenditures

Expenditure function	Major cost driver	Average expenditure per unit (\$)
Governance	Modified population	64.10
Family and community services	Population	137.63
Aged and disabled services	Population >60 plus disability pensioners plus Carer Allowance recipients	351.04
Recreation and culture	Modified population	299.02
Waste management	Number of dwellings	354.33
Traffic and street management	Modified population	134.04
Environment	Modified population	67.57
Business and economic services	Modified population	165.77

For five expenditure functions, a modified 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 state average are assumed to have a population higher than the census-based estimate:

- For the Governance expenditure function, actual populations are adjusted upwards to reflect 50 per cent of above average rates of vacant dwellings on census night and councils with a population of less than 20,000 are deemed to have a population of 20,000.
- For the Environment and Business and Economic Services functions, actual populations are adjusted upwards to reflect 50 per cent of above average rates of vacant dwellings on census night. Councils with a population of less than 15,000 are deemed to have a population of 15,000.
- For the Recreation and Culture, and Traffic and Street Management, functions, actual populations are adjusted upwards to reflect 50 per cent of above average rates of vacant dwellings on census night.

Cost adjusters

A number of cost adjusters are used in various combinations against each function. These allow the 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 adjuster 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 12 cost adjusters used in the calculation of the 2019–20 general purpose grants are: aged pensioners; population growth; economies of scale; population less than six years; environmental risk; regional significance; Indigenous population; remoteness; language; socio-economic; population dispersion; tourism.

Some factors represented by cost adjusters impact more on costs than others. Different weightings have been used for the cost adjusters applied to each expenditure function.

Net standardised expenditure

Net standardised expenditure has been 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.

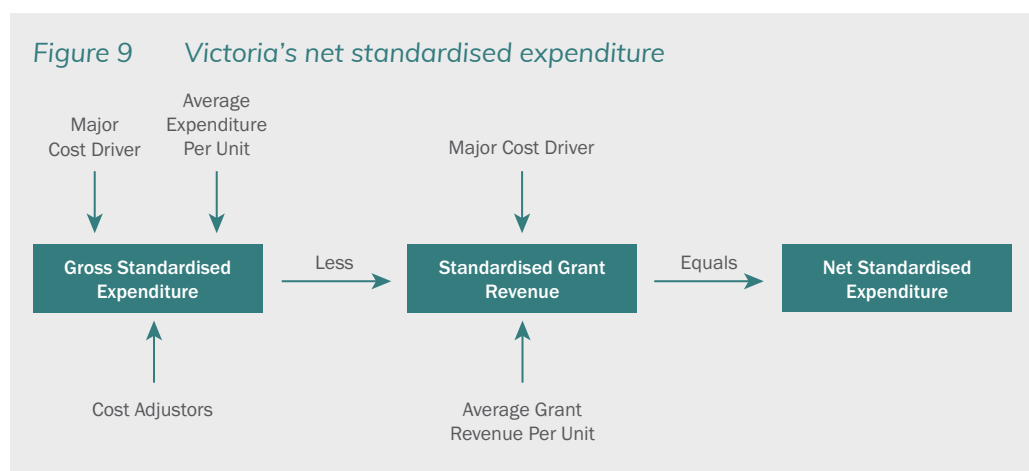
Average grant revenue on a per unit basis (based on actual grants received by local government in 2017–18) is shown below.

Table 19 Victoria's average grant revenue

Expenditure function	Major cost driver	Average grants per unit (\$)
Governance	Modified population	4.46
Family and community services	Population	37.40
Aged and disabled services	Population > 60 plus disability pensioners plus Carer Allowance recipients	175.58
Recreation and culture	Modified population	6.49
Waste management	Number of dwellings	0.81
Traffic and street management	Modified population	2.80
Environment	Modified population	0.78
Business and economic services	Modified population	0.70

Net standardised expenditure (for each function)

Diagrammatically, the calculation of net standardised expenditure for each expenditure function is as follows.



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 Commission's local roads grants model. As outlined in the section on cost modifiers further below, 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 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 over three years. The payments in lieu of rates received by some councils for major facilities such as power generating plants 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 four-year average of valuation data.

The derivation of the average rates for each of the property classes is shown below.

Table 20 Victorian property classes – average rates

Category	Total average valuations (\$ billion)	Total rate revenue (\$ billion)	Average rate
Residential	1,360.000	4.088	0.00306
Commercial/industrial/other	248.235	0.931	0.00375
Farm	77.695	0.288	0.00371

The 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 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.

The standard fees and charges used for each function (based on adjusted median actual revenues generated by local government in 2017–18) are shown in the following table, along with the revenue adjustors applied.

Table 21 Victorian standard fees and charges

Expenditure function	Major driver (units)	Standard fees and charges per unit (\$)	Revenue adjustors
Governance	Population	16.80	Nil
Family and community services	Population	11.01	Socio-economic
Aged and disabled services	Population > 60 plus disability pensioners plus Carer Allowance recipients	37.48	Household income
Recreation and culture	Population	22.75	Nil
Waste management	Number of dwellings	29.82	Nil
Traffic and street management	Population	9.75	Valuations (per cent commercial)
Environment	Population	1.11	Nil
Business and economic services	Population	38.55	Tourism and value of development
Local roads and bridges	Population	2.03	Nil

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

Limits to grant movements

The Commission has applied the following constraints to movements in general purpose grants for 2019–20:

- no limit on increases in grant outcomes
- no council will receive a general purpose grant decrease of more than 5.0 per cent.

Methodology changes

For 2019–20, the Commission decided to

- change the way part-time residents (non-residents) are calculated for each municipality and broaden the recognition given to the impact of part-time residents on councils' relative expenditure needs through a change to the major cost driver used for the Recreation and Culture, and Traffic and Street Management functions
- provide greater recognition to the cost impact of relatively highly dispersed populations in service delivery through an increase in the weighting applied to the population dispersion cost adjustor from 10 per cent to 20 per cent for the Family and Community Services expenditure function, offset by a reduction in the weighting of the population under-six-years cost adjustor for that function
- increase the minimum population (to 15,000) for those councils with a population of less than 7,500 for the Environment, and Business and Economic Services, functions.

Minimum grant

The available general purpose grants funding for Victorian councils represents, on average, \$70.52 per head of population (using ABS population estimates as at 30 June 2018).

The minimum grant national distribution principle requires that no council may receive a general purpose grant that is less than 30 per cent of the per capita average (or \$21.15 for 2019–20).

Without the application of this principle, general purpose grants for 2019–20 for 16 councils – Banyule, Bayside, Boroondara, Darebin, Glen Eira, Hobsons Bay, Kingston, Manningham, Melbourne, Monash, Moonee Valley, Mornington Peninsula, Port Phillip, Stonnington, Whitehorse and Yarra, would have been below the \$21.15 per capita level.

Estimated allocations 2019–20

A summary of the changes in estimated general purpose grant allocations from 2018–19 to 2019–20 is shown below.

Table 22 Victorian changes in estimated general purpose grant allocations from 2018–19 to 2019–20

Change in general purpose grant	Number of councils
Increases of more than 10 per cent	1
Increases up to 10 per cent	71
No change	0
Decrease of <–5.0 per cent	6
Decrease of –5.0 per cent (lower limit)	1
Total	79

Natural disaster assistance

The Commission provides funds, from the general purpose grants funding, 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 18 councils were allocated for 2019–20, totalling \$761,618.

Natural disaster assistance grants provided from the 2019–20 allocation are as follows.

Table 23 Victorian natural disaster assistance grants

Natural disaster assistance for 2019–20	Type of disaster	No. of grants	Amount (\$)
Alpine (S)	Storms	1	\$31,228
Ararat (RC)	Storms and Floods	1	\$35,000
Ballarat (C)	Floods and Storms	1	\$28,117
Benalla (RC)	Storms	1	\$35,000
Corangamite (S)	Storms and Floods Storms and Bushfire	1 of each	\$70,000
Greater Bendigo (C)	Storms and Floods	1	\$35,000
Greater Geelong (C)	Storms	1	\$35,000
Hindmarsh (S)	Storms and Floods	1	\$33,507
Macedon Ranges (S)	Storms and Floods	2	\$62,237
Mildura (RC)	Storms and Floods	2	\$70,000
Moyne (S)	Storm and Bushfire	1	\$35,000
Nillumbik (S)	Storms and Floods	2	\$46,529
Northern Grampians (S)	Storms and Floods	1	\$35,000
Southern Grampians (S)	Storms and Floods	1	\$35,000
Surf Coast (S)	Storms and Floods	1	\$35,000
Wangaratta (RC)	Storms and Floods	1	\$35,000
West Wimmera (S)	Storms and Floods	1	\$35,000
Yarra Ranges (S)	Storms and Floods	2	\$70,000
Total		23	\$761,618

Methodology for local roads grants

The Commission's formula for allocating local roads grants 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 series of 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.

This formula is designed to reflect the relative needs of Victorian councils in relation to local roads funding in accordance with the National Principle relating to the allocation of local roads funding.

Road and traffic volume data

The allocation of local roads grants for 2019–20 was based on road length and traffic volume data reported by all councils for the 12 months to June 2018.

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 131,801 kilometres of local roads as at 30 June 2018, an increase of 361 kilometres, or 0.3 per cent more than the length reported 12 months earlier.

Where significant changes were made to the data previously provided, councils were asked to verify those data changes and, in some instances, provide additional supporting documentation. In two cases where, after additional consultation with the councils concerned, the Commission was not able to be satisfied with the veracity of their local roads data changes, the proposed changes were not accepted by the Commission.

Variations were as follows.

Table 24 Variations in Victoria's local road length

Change in length of local roads	Number of councils
Increase of more than 5.0 per cent	1
Increase of 1.0 per cent to 5.0 per cent	8
Increase of up to 1.0 per cent	36
No change	21
Decrease of up to –1.0 per cent	9
Decrease of –1.0 per cent to –5.0 per cent	4
Total	79

Asset preservation costs

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

The asset preservation costs used in the 2019–20 allocations were unchanged from the previous year and are as follows.

Table 25 Victorian asset preservation costs

Local road type	Daily traffic volume range	Annual asset preservation cost \$/km
Urban	<500	7,200
	500–<1,000	9,800
	1,000–<5,000	13,200
	5,000+	21,400
Rural	Natural surface	700
	<100	5,000
	100–<500	10,400
	500–<1,000	11,600
	1,000+	13,200
Timber bridge		\$200/square metre
Concrete bridge		\$120/square metre

Cost modifiers

The Commission's formula for allocating local roads grants is designed to reflect the relative needs of Victorian councils in relation to local roads funding in accordance with the National Principle relating to the allocation of local roads funding.

The allocation model uses a series of five cost modifiers to reflect differences in circumstances between councils in relation to:

- the relative volume of freight carried on local roads in each council
- climate
- the availability of road-making materials
- sub-grade conditions
- 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 2019–20 allocation. However, the freight cost modifier was recalculated using data from the 2016 census.

Grant calculation

The 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 \$120 per square metre for concrete bridges and \$200 per square metre for timber bridges.

Mathematically, the calculation of the network cost for a single traffic volume range for a council can be illustrated as follows.



* 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.

Limits to grant movements

No constraints were applied to increases or decreases in local roads grants for the 2019–20 allocations.

Entitlements 2019–20

In general, where a significant change occurred in a council's local roads grant for 2019–20, this was due to a combination of:

- significant changes in traffic volume data supplied by the council to the Commission and/or
- the impact of removing the constraints on grant movements.

A summary of the changes in estimated local roads grant entitlements from 2018–19 to 2019–20 is shown in the table below.

Table 26 Victorian changes in estimated local roads grant entitlements

Change in local roads grant	Number of councils
Increase of 10.0 per cent	2
Increase of 5.0 per cent to 10.0 per cent	8
Increases of 0.0 per cent to 5.0 per cent	67
No change	0
Decreases	2
Total	79

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

Fair Go Rates System

Following the introduction of the Fair Go Rates System (FGRS) from 1 July 2016, an annual cap is applied to rate rises by Victorian councils. The rate cap percentage is set annually by the Victorian Minister for Local Government following consideration of advice received from the Essential Services Commission (ESC). The FGRS policy aims to ensure council rates remain sustainable while keeping the cost of living down for Victorians. Local governments

have therefore continued to focus on maximising value for money while also budgeting and planning for long term financial sustainability. The following caps were applied:

- 2016–17 financial year 2.50 per cent
- 2017–18 financial year 2.00 per cent
- 2018–19 financial year 2.25 per cent
- 2019–20 financial year 2.50 per cent.

The Act provides for a council to make application to the ESC to set a higher cap based on local circumstances and needs. The application can be for single or multiple years. The ESC assesses each application on its merits.

For the 2019–20 financial year the ESC received and assessed two higher cap applications. One application was for a single year while the other was for the three years to 2021–22. The ESC approved both applications; however, the multi-year application was only approved for the two financial years ending 2020–21. Two previously approved multi-year applications also continued into 2019–20.

In November 2019 the ESC released its annual report on council rate cap compliance. The report found that for 2019–20 all Victorian councils complied with the FGRS.

Finance and Accounting Support Team (FAST)

The local government Finance and Accounting Support Team (FAST) program was announced in 2016–17. The program was funded for four years to help improve the financial sustainability of rural and regional councils and concluded on 30 June 2020.

Rural and regional councils face a range of well-established challenges in managing their large asset bases and providing services to dispersed communities. Financial sustainability risks in these organisations are compounded by challenges in attracting, retaining and resourcing appropriately skilled staff.

The FAST program helped to address this by aiming to build capability within councils and by supporting development of plans, processes, documents and projects that support effective and sustainable management.

An independent program evaluation was conducted in early 2020 and included findings and recommendations for future programs.

Rural and Regional Councils Sustainability Program

In 2016, the Victorian Government commissioned a report into rural and regional council sustainability. The report was undertaken by consultants KPMG and involved a number of council and community-based workshops across the State.

In December 2017, the Rural and Regional Councils Sustainability Reform Program report was released. This report provided the documentary evidence of the enablers and inhibitors to financial and operational sustainability.

This report proposed addressing financial and operational sustainability through three key reform themes:

- **State local government alliance**, (sustainable service delivery and funding models)
- **Operational transformation**, (Regional service delivery, a modern digital strategy and small shire stabilisation)

- **Stronger local governance**, (building local capacity and innovative community engagement).

In response to this report and following extensive engagement with the sector, the Victorian Government developed the Rural Council Transformation Program which was launched in August 2018.

This program provided a \$20 million fund to encourage transformation across rural and regional Victoria. Four regional groupings, comprising 19 local governments, were successful in the funding application.

The magnitude and complexity of these reform initiatives, including major ICT enhancements, will require implementation over a number of financial years.

Throughout 2019–20, the four regional groupings made progress with the refinement of scope, costs and risks to improve the accuracy of their business case estimates. This progress took place amongst extreme bushfire activity and recovery from January 2020 and the declaration of a State of Emergency in Victoria on 16 March 2020 from the COVID-19 pandemic.

Long-term financial planning

Victorian councils are responsible for managing over \$110 billion in infrastructure and assets, which impacts their finances significantly. Robust asset management practices and responsible strategic financial planning are therefore required to ensure councils maintain and renew these long-lived assets appropriately to remain financially sustainable over the long term.

The *Local Government Act 2020* introduced legislative requirements for all Victorian councils to develop and adopt a 10-year Financial Plan and a 10-year Asset Plan. Both plans must be subject to community engagement including deliberative engagement practices. An extensive program of co-design is intended to support councils in the development of their strategic financial and asset management plans.

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

Local Government Performance Reporting Framework and the Know Your Council website

In 2019, the Local Government Performance Reporting Framework collected its fifth year of sector performance data from all Victorian councils. Established in November 2015 and launched by the Victorian Minister for Local Government, the framework and the related Know Your Council website (www.knowyourcouncil.vic.gov.au) is designed to improve council transparency and accountability through enabling the community to access and compare council performance.

The website, supported by Victoria's Local Government Performance Reporting Framework (LGPRF), requires all Victorian councils to annually collect and report their data against 59 performance indicators across 11 different service areas, including finance, roads, waste collection and libraries. The framework also includes a checklist of 24 items considered essential for supporting good governance and management in local government.

On 2 December 2019, the 2018–19 data was released publicly with 6,300 users visiting the site in the first 72 hours. As well as comparing councils, users can view trend data in addition to reading commentary from council explaining the context of their performance results.

The Know Your Council website has shown to be a popular resource across a varied audience, including:

- several other jurisdictions around Australia and overseas, which have shown interest in developing a similar resource
- media outlets, using the data and council commentary for news articles
- the public with over 1.4 million users visiting the site since it was launched.

Local government reform activities including deregulation and legislative changes

Legislative reform

In 2019–20, the Victorian Government extended on its previous work in the legislative reform of local government. On 13 November the new Local Government Bill was introduced to Parliament. The *Local Government Act 2020* received royal assent on 24 March 2020.

The new *Local Government Act 2020* is the most ambitious reform to the local government sector in over 30 years. The Act will improve local government democracy, accountability and service delivery for all Victorians and is intended to create a legislative environment that embraces innovation, modern business practices and microeconomic reform.

The *Local Government Act 2020* is being proclaimed in four stages:

- Stage 1 – 6 April 2020
- Stage 2 – 1 May 2020
- Stage 3 – 24 October 2020
- Stage 4 – 1 July 2021.

The *Local Government Act 1989* will be progressively repealed.

The *Local Government Act 2020* is a principles-based Act, removing unnecessary regulatory and legislative prescription. The commencement of Stages 1 and 2 has introduced the principles of:

- **community engagement** – to ensure all Victorians have the opportunity to engage with their council on the future of their community
- **financial management** – to ensure that councils undertake responsible spending and investment that ensures financial, social and environmental sustainability
- **public transparency** – to ensure high levels of accountability and trust and enable fully informed engagement in the democratic process
- **service performance** – to ensure that councils deliver services to the community that are equitable, accessible, good value and meet the needs of their diverse communities
- **strategic planning** – to ensure that communities are involved in strategic planning and decision making.

Stages 1 and 2 have also established a requirement for councils to develop both community engagement and public transparency policies, and an Audit and Risk Committee and charter.

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

Aboriginal and Torres Strait Islander community initiatives

The Victorian Aboriginal and Local Government Action Plan ('the Action Plan') was launched by the Victorian Minister for Aboriginal Affairs and former Victorian Minister for Local Government, the Hon Natalie Hutchins in December 2016.

The Action Plan is a resource for local councils and Aboriginal Victorians to strengthen relationships and drive positive change. The Plan provides a framework to assist councils to engage and partner with Aboriginal communities and organisations and is a toolkit listing resources and best practice case studies.

A selection of case studies included in the Action Plan aims to build a sense of community ownership, reflect good practice occurring across Victoria and enhance the value of the Action Plan as a resource.

The Action Plan lists 23 Actions that have largely been achieved since its launch in 2016, through partnership between state government agencies, Aboriginal and other community organisations and councils.

The Implementation Partnership Group comprising state government agencies, councils, Aboriginal and community organisations commenced a process of review of the Action Plan which led to the procurement for an independent Aboriginal business to undertake a wide-ranging review and future development of the Victorian Aboriginal and Local Government Strategy.

Mifsud Consulting together with Bastion Communications were engaged to undertake the review and development of the five-year Victorian Aboriginal and Local Government Strategy under the guidance of the Implementation Partnership Group incorporating Aboriginal self-determination principles. Consultation forums were held during 2019–20 with local councils, Traditional Owners, peak local government bodies and Aboriginal communities. The extensive and wide-ranging consultation forums informed the development of the draft Victorian Aboriginal and Local Government Strategy.

Further work in finalising the draft Victorian Aboriginal and Local Government Strategy is planned for 2020–21 to ensure the Strategy incorporates contemporary State Government and Aboriginal policies and frameworks.

During the 2019–20 year, Local Government Victoria has continued to:

- support the Maggolee website as a platform that promotes good practice in local government and Aboriginal community partnerships
- improve local government and Traditional Owner engagement strategies of current and future Recognition and Settlement Agreements
- provide annual support for community organisations to foster reconciliation through the Victorian Local Governance Association and Reconciliation Victoria's Helping Achieve Reconciliation Together (HART) Awards and the LGPro annual awards for excellence.

Report from the Municipal Association of Victoria (MAV)

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

The COVID-19 pandemic emphasised the importance of local communities using their unique knowledge of their area in contributing to the recovery of the state as a whole. Victorians used council parks and services in unprecedented numbers. The extended lockdowns also meant residents looked more closely at their local environments, with consequent impacts on service expectations. At the same time, forgone income and the provision of additional support services significantly affected council finances. Coming into 2019–20, councils had forecasted ongoing underlying surpluses in aggregate across Victoria. Figures vary significantly between individual councils, but some councils predicted deficits greater than 20 per cent by the 2021–22 financial year. Rural and regional councils were faced with particular challenges, with some projecting underlying deficits out to 2024–25.

Many councils were also impacted by Victoria's less-than-anticipated population increases as a result of the sudden drop in overseas and interstate migration. With net overseas migration expected to fall from 194,000 people in 2019–20 to a further 174,000 fewer people expected to arrive by 2021–22, councils with projects already underway and funding committed to, based on previous expectations of new ratepayers, were significantly impacted by the loss of anticipated revenue. Infrastructure renewal was impacted to manage costs. Council costs were difficult to adjust at short notice, given these are largely driven by wages for the tens of thousands of staff employed in and by councils across the state. Enterprise agreements negotiated prior to COVID-19 locked in wage rate increases that needed to continue to be funded in future years. The immediate and urgent roll-out of significant infrastructure builds by the Victorian Government also drove up the cost for local infrastructure projects and programs.

Rural and regional councils were disproportionately impacted by the sudden escalation in infrastructure costs. Many anecdotally reported challenges, with some advising of increases of 30–40 per cent on requests for quote, particularly design and construction activities. While the Commonwealth Government's additional financial support through the Local Roads and Community Infrastructure program brought welcome relief, councils continued to have to make difficult decisions in terms of service reduction and capital project deferral. It is important to note that councils do not have the same revenue raising capacity as state or federal governments, with local government rates accounting for approximately 3.6 per cent of tax collected in Australia.

Reforms undertaken during 2019–20 to improve the efficiency and effectiveness of local government service delivery

The challenges presented by the COVID-19 pandemic significantly impacted Victoria's 79 councils in the second half of the financial year 2019–20. Not only did they need to continue to provide essential services through sustained periods with significant public health restrictions in place to manage the spread of COVID-19, councils also needed to rapidly ramp up their services and support for local businesses and communities when restrictions eased. The protracted and widescale impact of the pandemic emergency meant all municipalities were impacted to a significant degree.

Victoria's 79 councils continued to provide critical local infrastructure and services for their communities. From early in 2020 they focussed on service continuity across important functions such as maternal and child health, childhood immunisations, community care, waste and recycling, and public health inspections. A range of council facilities, including libraries, recreation centres and playgrounds re-opened and closed in line with the public health directions. Councils adapted and innovated service delivery models to help their communities stay connected and supported, while keeping safe. From delivery of online library, community and family support services to the development of campaigns and platforms to share stories of positivity, resilience, community spirit and kindness, councils remained committed to working with and looking after their communities.

They also worked tirelessly to assist their 45,000 strong workforce deal with the impact of the pandemic. Thousands of local government staff continued to provide essential services, with maternal and child-health services continuing to operate. Councils also continued to deploy thousands of in-home support workers to provide services to the aged and people with disabilities.

Recognising the likely economic impacts of the pandemic on businesses and households, councils led the way in offering fee waivers, refunds and reductions, relaxing enforcement of infringements, reducing or waiving rent for council facility tenants, and promoting financial hardship policies. Across Victoria, councils announced multi-million-dollar support packages for local businesses alongside the implementation of a range of practical support measures including facilitation of online training and networking opportunities and development of 'shop / support local' campaigns. Councils also sought to streamline regulatory activities and fast-track approval processes, particularly for those activities which could be utilised in public outdoor spaces.

Councils grappled with state-level reforms continuing to be introduced and implemented, including implementation of the *Local Government Act 2020 (Vic.)* and preparing for the new and significant changes to environment protection laws which were due to come into effect. They also continued to prepare for the council elections that were due to be held later in the year despite the uncertainties about whether they would be held as scheduled or deferred due to the pandemic. IT services needed to be rapidly adjusted to accommodate virtual meetings for formal council and committee meetings. Rural councils were particularly impacted in this regard, with internet capacity and reliability issues necessitating some councillors and staff to attend worksites despite this not being recommended by the public health directions.

The impacts of COVID-19 will need to be examined from the lens of local communities and the people who live and work within them. Councils were uniquely placed to support local-led recovery, and they took many and varied opportunities to contribute their community insight and operational expertise to the Victorian and national emergency response. Ongoing, a successful plan for national recovery will need to be centred around the fact that the pandemic has affected individual communities in different ways. There remain considerable opportunities for Commonwealth investments in mental health and community supports being delivered via councils and their deep community connections.

Report from the Queensland Government

Methodology used for distributing funding under the Financial Assistance Grant program to local government for 2019–20 by the Local Government Grants Commission

Local roads component

This component of the Financial Assistance (FA) Grant is allocated as far as practicable 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 Commission, a formula based on road length and population best meets this National Principle for Queensland. This formula is:

- 62.85 per cent of the funding available is allocated according to road length
- 37.15 per cent of the funding available is allocated according to population.

General purpose component

A new methodology was implemented for the general purpose grant (GPG) in 2011–12 and has continued to be used since then. The methodology complies with the National Principles and there were no changes made for the 2019–20 grant allocation. However, the commission endorsed new heavy vehicle weightings, as supplied by the Queensland Department of Transport and Main Roads, which will take effect in the calculation of the 2020–21 FA Grant.

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 state's GPG funding. In 2019–20, this amount equated to \$21.12 per capita. The remaining 70 per cent of the GPG funding is distributed based on relative need, according to the National Principles.

To determine relative need, the methodology derives averages for revenue raising and expenditure on service provision to be applied to all local governments within the State. 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 Commission uses various cost adjustors which allow for factors, outside a council's control, that affect its ability to raise revenue or provide services, again in keeping with the National Principles.

Assessing revenue

The Commission uses the revenue categories of:

- rates
- other grants and subsidies (as per the National Principles)
- garbage charges
- fees and charges.

Rate revenue assessment

The rating assessment has remained: the total state rate revenue is divided by the total state land valuation to derive a cent in the dollar average, which is then multiplied by each council's total land valuation. Both the state total and individual council valuation figures are averaged over five years.

Figure 10 Queensland rating assessment

$$\frac{\text{State total rate revenue}}{\text{State total valuation (5-year average)}} = \frac{\text{Council total valuation (5-year average)}}{\text{Council's assessed rate revenue}}$$

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

- Index of Relative Socio-Economic Advantage and Disadvantage (SEIFA 2)
- Index of Economic Resources (SEIFA 3)
- Index of Education and Occupation (SEIFA 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.

All other revenue assessment

Fees and charges are averaged on a per capita basis. Garbage revenue is averaged on the basis of the number of residential properties 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 Commission are included as revenue according to the actual amounts received by council. Three grants are included by the Commission, as follows:

- previous year's Local Roads Component (50 per cent)
- Queensland Government Financial Aid (Indigenous councils only – 20 per cent)
- minimum grant component of previous year's GPG (100 per cent).

Revenue assessment model

The following table provides summary information on the drivers and units of measurement for each revenue category.

Table 27 Queensland revenue assessment model

Revenue category	Revenue driver(s)	Unit of measure (state average)
Rates	Total valuations	Average cent in dollar rates: \$0.008
Garbage charges	Residential properties	\$528 per residential property
Fees and charges	Population	\$351 per capita
Other grants	Actual grants received	Identified Road Grant (50 per cent used) Queensland Government Financial Aid (20 per cent) Minimum grant component of the GPG (100 per cent)

Assessing expenditure

With regard to the expenditure assessment, the Commission includes nine service categories:

1. Administration
2. Public order and safety
3. Education, health, welfare and housing
4. Garbage and recycling
5. Community amenities, recreation, culture and libraries
6. Building control and town planning
7. Business and industry development
8. Roads
9. Environment.

The Commission considers cost adjusters that are applied to service categories to allow for the differences in service delivery across the State. Further detail regarding key expenditure categories, units of measure and cost adjusters is provided in the following table.

Table 28 Outline of expenditure assessment 2019–20

Service expenditure category	2019–20 unit of measure	Services cost adjusters		
		Location	Demography – Indigenous; Age; Indigenous/age	Scale
Administration	Actual remuneration category + \$405 per capita + \$400 per property/\$135 per capita (Indigenous councils)	✓		✓
Public order and safety	\$35 per capita	✓	✓	✓
Education, health, welfare and housing	\$31 per capita	✓	✓	✓
Garbage and recycling	\$364 per residential property / \$115 per capita (Indigenous councils)	✓		✓
Community amenities, recreation, culture and libraries	\$233 per capita	✓	✓	✓
Building control and town planning	\$151 per residential property/ \$48 per capita (Indigenous councils)	✓		✓
Business and industry development	\$53 per capita	✓		✓
Environment	\$102 per residential property/ \$34 per capita (Indigenous councils)	✓		✓
Roads	Road expenditure assessment (see below)	✓		✓

Roads expenditure

The Commission uses an asset preservation model to assess road expenditure, estimating the cost to maintain a council's road network, including bridges and hydraulics. The following table provides the dollar values allocated on the basis of traffic volumes and the cost adjusters applied.

Table 29 Queensland road expenditure assessment model

	Traffic volume range (adjusted vehicles per day)	Base cost (\$/km)	Cost adjusters (per cent)									
			Climate		Soil sub-grade			Locality on-cost		Terrain		
			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	368	0	25	0	0	0	5	10	2	5	0
	<40	737	0	20	0	0	0	5	10	2	5	0
	40–150	3,521	0	20	0	10	10	5	10	2	5	0
	150–250	6,399	-10	15	-5	10	10	2.5	5	2	5	10
	250–1,000	9,035	-7.5	10	-5	10	10	2.5	2.5	2	5	10
	1,000–3,000	11,440	-7.5	10	-5	10	10	2.5	2.5	2	5	10
	>3,000	15,755	-7.5	10	-5	10	10	2.5	2.5	2	5	10
Urban	<500	12,587	-7.5	10	-2.5	5	5	2.5	2.5	0	2	5
	500–1,000	19,575	-7.5	10	-2.5	5	5	2.5	2.5	0	2	5
	1,000–5,000	31,118	-7.5	10	-5	10	10	2.5	2.5	0	2	5
	5,000–10,000	56,443	-7.5	10	-5	10	10	2.5	2.5	0	2	5
	>10,000	96,468	-7.5	10	-5	10	10	2.5	2.5	0	2	5

Notes: TI = Thornthwaite Index
 CBR = California Bearing Ratio
 MR = Main Roads

Allowances are given for heavy vehicles which increase the road usage, resulting in increasing a council's road expenditure amount. These are outlined in the following table.

Table 30 Queensland allowances given for heavy vehicles

Vehicle type	Equivalent number of vehicles
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

Note: This is the final year that the commission will use these heavy vehicle allowances. From the 2020–21 grant allocation onwards, new allowances will be used.

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.

The table above headed *Outline of expenditure assessment 2019–20* identifies which cost adjustors are applied to the service categories.

Scaling back

The 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 2019–20.

Application of the Minimum Grant Principle

In 2019–20, the Commission determined, on the basis of the methodology, that the following councils were to receive the minimum grant component of the GPG only:

Brisbane City Council	Moreton Bay Regional Council
Cairns Regional Council	Noosa Shire Council
Gold Coast City Council	Redland City Council
Ipswich City Council	Sunshine Coast Regional Council
Logan City Council	Townsville City Council.

Changes to the methodology for distributing funding to local government under the Financial Assistance Grant program for 2019–20 from that used in 2018–19

There were no changes made for the 2019–20 grant allocation. However, the commission endorsed new heavy vehicle weightings, as supplied by the Queensland Department of Transport and Main Roads, which will take effect in the calculation of the 2020–21 FA Grant.

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 (LGFM). The LGFM is available to all Queensland local governments and includes five years of historical data and ten years of forecasts.

All Queensland local governments are required to prepare and adopt long-term asset management plans covering at least 10 years as part of, and consistent with, the long-term financial forecast.

In October 2016, the Auditor-General of Queensland tabled a report, on forecasting long-term sustainability of local government, containing recommendations for improvement. Individual local governments in Queensland continue to implement those recommendations where appropriate.

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

The provision of information by the Queensland Government to the community through the Queensland Local Government Comparative Information Report continued in 2019–20. 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 2019–20 to improve the efficiency and effectiveness of local government service delivery

In June 2020, Queensland's Legislative Assembly passed the *Electoral and Other Legislation (Accountability, Integrity and Other Matters) Amendment Act 2020*, which contained the following measures to improve the integrity, transparency, diversity and consistency of local governments in Queensland:

- new registers of interest's requirements
- new and clarified conflict of interest requirements
- new requirements for councillor advisors and councillor administrative support staff.

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 2019–20, \$35.410 million was the funding available for the State Government Financial Aid program for the state's 16 Indigenous councils. Each council received 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.

Additionally, the Indigenous Councils Critical Infrastructure Program (ICCIP) is a \$120 million funding program that will deliver critical water, wastewater and solid waste infrastructure to Queensland's Indigenous councils. The program is being delivered over four years. The aim of ICCIP is to support Indigenous councils to deliver projects and infrastructure works relating to critical water, wastewater and solid waste assets, and provide a basis for the long-term strategic management of essential assets. It is available to all Indigenous local governments.

Project work commenced in July 2019 on the Queensland Government's 2019–2021 Works for Queensland Program. This program supports 65 regional councils to undertake job-creating maintenance and minor infrastructure projects. The \$200 million 2019–2021 program was allocated to 65 councils with \$26.590 million being allocated to Queensland's 16 Indigenous councils. Delivery of projects under this round of funding will continue through to 30 June 2021.

Other funding provided by the Queensland Government to Indigenous councils in 2019–20 included \$3.525 million under the Revenue Replacement Program, an initiative under the State's alcohol-related harm reduction strategy for nine Indigenous local governments which compulsorily surrendered their council-held liquor licences in 2009. Funding was provided under this program to assist councils to maintain community services previously funded by the profits from alcohol sales.

Under the Indigenous Economic Development Grant program, with total funding of \$1.44 million, the state continued its commitment to support Indigenous councils to employ municipal services staff. Each eligible council received \$80 000, except for Yarrabah and Palm Island Aboriginal Shire Councils and Northern Peninsula Area Regional Council, which each received \$160,000.

Twelve priority infrastructure projects totalling \$10.5 million were approved for nine Indigenous council areas under the 2019–21 Local Government Grants and Subsidies program. These projects will be delivered progressively over the 2019–20 and 2020–21 financial years.

Input on local government reform activities, including deregulation and legislative changes, by the jurisdiction during the reporting period

Refer to response in previous section on reforms undertaken in 2019–20.

Report from the Local Government Association of Queensland (LGAQ)

The Queensland Auditor-General's report to Parliament entitled Local Government 2020 references the difficulties faced by all councils through the impact of the COVID-19 pandemic in this year. The Report says (extracts):

Councils' financial performance continued to deteriorate in 2020. This was not unexpected ... [it] resulted in 70 per cent of Queensland councils spending more than they earned in 2020, which is 25 per cent worse than last year.

As of 30 June 2020, 25 councils are at a high risk of not being financially sustainable. This is 4 more councils than last year and represents approximately one-third of the sector.

Most councils with a high reliance on grants from state and federal governments have consistently incurred operating losses each year for the last five years. We have found that these councils that regularly incur operating losses often have weak strategic planning, asset management, and financial management practices. That said, planning for financial sustainability is a challenge for these councils because the current funding model provides grants to councils largely on a year-by-year basis, making medium-term to long-term planning difficult.

These foundational financial stressors are likely to continue to have impacts over the next couple of years. Councils, LGAQ and other agencies such as the Queensland Audit Office (QAO) continue to advocate for financial and other resources to be made available to assist constrained councils to tighten and upgrade controls in the areas of finance, risk, IT security, procurement and governance – and to develop even more robust asset management and financial forecasting plans.

Queensland local government remains reliant on federal and state funding, with a strong preference for allocated long-term funding which is indexed to council costs.

As Australia's most decentralised state, Queensland's communities have unique issues. A summary of the key challenges facing Queensland's First Nations and remote communities is as follows.

Queensland's isolated – remote discrete communities

Because of their isolation, Queensland's 17 Aboriginal and Torres Strait Islander councils by necessity provide a wider range of services than most non-Indigenous councils.

Councils have moved to become the main contractor to maximise the amount of infrastructure funding that remains in the community and increase the level of local economic participation as well as generating a surplus that can be used to help fund basic community services.

Even with this approach most of these councils are struggling to remain financially sustainable.

In 2016, the Queensland Productivity Commission began an inquiry into service delivery in remote and discrete Aboriginal and Torres Strait Islander communities. Its final report included 22 recommendations and called for major structural, service delivery and economic reforms to enable Aboriginal and Torres Strait Islander peoples to develop ways to improve outcomes for themselves. It called for major reform in how governments fund and deliver services within these communities to ensure that the services are identified by the community as needed, fit for purpose, support local economic participation and include more effective and transparent monitoring and evaluation.

Each year the QAO provides a report on the financial wellbeing of councils. And each year it reports that the majority of Aboriginal and Torres Strait Islander councils in Queensland are at a high risk of being unsustainable financially.

These councils have no rate base and are heavily reliant on government grants to underpin basic service delivery to their communities.

Comparative performance measures

Comparative data for Queensland councils provided by the Association through its *Ready.Set.Go* and *MyCouncilStory* initiatives was augmented by the release of an online comparative performance service created by the QAO, which provides community access to three years of financial performance data for Queensland councils.

The Association's LG Sherlock data analytics service also expanded its solution offerings to include additional services in the areas of mobile phone management and development activity within high-growth local government areas.

The Association, through its fully owned subsidiary Local Buy has made a further significant investment in advancing local government procurement through its *Nex Gen Procurement Ecosystem (Nex Gen)*. Nex Gen has been developed to give local government access to the most effective procurement systems and processes as well as data insights that support their communities better in a changing technology landscape. Nex Gen is creating opportunities for local government to deliver:

- increased spend and process transparency
- visibility of risk
- increased avenues to deliver value for money
- removing inconsistent and complex procurement processes which impact how suppliers engage
- supporting local and regional economic development
- everything in one place, making it easy for buyers and suppliers
- better value with smarter sourcing providing faster, more secure and cost-effective procurement capabilities.

Uptake of Nex Gen has been rapid and ahead of expectations. This initiative is understood to be an Australian first and, we believe, unique in the world in terms of transforming local government procurement on this scale. The service brings together:

- procurement portal: to allow access to all procurement systems, tools, data, the sharing of knowledge within and between councils, so that anyone who needs to make a purchase can do so knowing council requirements
- procurement platform: a standard system for suppliers and council to connect, whether it be for a simple quote or a full open market tender with visibility of all agreements negotiated to obtain best value with the right local suppliers
- data analytics: dashboards and reports that allow councils to make data-driven decisions about spend, suppliers and process whilst having the ability to respond to statutory and community requirements
- blockchain: Currently under development, blockchain will support time-stamped series of immutable records of data supporting better governance and Smart Contracts (self-executing contract/action) capability.

Report from the Western Australian Government

The methodology used, by the Local Government Grants Commission, for distributing funding under the Financial Assistance Grant program to local government for 2019–20

The Western Australian (WA) share of Commonwealth Financial Assistance Grant (FA Grants) funding for 2019–20 was \$301,111,795, being 11.87 per cent of the national allocation of \$2,536,698,673. WA's share consisted of \$181,901,718 for the general purpose component and \$119,210,077 for the local roads component.

The WA Local Government Grants Commission (the Commission) is responsible for the allocation of FA Grants in WA.

General purpose grants

In accordance with section 6 of the *Commonwealth Local Government (Financial Assistance) Act 1995*, the Grants Commission seeks to implement the principle of 'horizontal equalisation' of supporting local governments to provide the same general standard of services across the State. The Grants Commission calculates the 'equalisation need' for grant funding for all local governments, based on calculations of the revenue-collecting capacity of each local government, and magnitude of expenditure each local government would be required to make in order to deliver a consistent general standard of services across the State.

The total Financial Assistance Grant funding received by the state is commonly less than the total equalisation need calculated by the Commission. For 2019–20, the total statewide Financial Assistance Grant funding was approximately 65 per cent of the calculated statewide equalisation need. This actual grant funding allocation as a percentage of equalisation need sets a practical 'scaled back equalisation need', representing the grant funding the Commission has available to grant to each local government. This effectively represents an upper bound for what the Commission can allocate to each local government in Western Australia to achieve a horizontal equalisation outcome.

In accordance with section 9 of the *Commonwealth Local Government (Financial Assistance) Act 1995*, the Grants Commission also works to ensure that no local government receives less than the amount to which the local governing body would be entitled if 30 per cent of the total available General Purpose Grants were allocated among local governing bodies on a per capita basis. This defines a statutory 'minimum grant', which effectively places a floor on the per capita grants a local government can receive.

In 2019–20, 31 local governments (of the 137) received a minimum grant entitlement, which equated to \$21.03 per capita. This was an increase from 2018–19 when local governments in WA received \$20.67. Collectively, the local governments receiving the minimum grant accounted for \$41.45 million (22.8 per cent) of the total general purpose funding while containing 75.9 per cent of the State's population.

In 2019–20, the scaled back equalisation need of one local government, the Shire of Augusta-Margaret River, fell below the calculated per capita minimum grant entitlement. Accordingly, Augusta-Margaret River received the minimum grant, even though it is not a council that would usually be entitled to only the minimum grant. This is because the value calculated as the minimum grant entitlement was more than what would be allocated based on the equalisation need being scaled back to reflect the Financial Assistance Grant funding available.

The remaining local governments received an allocation relative to their scaled back equalisation need, in alignment with the total quantum of general purpose Financial Assistance Grant funding received from the Commonwealth relative to the calculated statewide equalisation need, the scale-back in 2019–20 being 65 per cent.

The Grants Commission has been working to transition in adjustments to individual local government allocations so that local governments receiving an allocation above the minimum grant receive a grant that is as close as possible to the scaled back equalisation need. As part of this process, any local government that had a grant entitlement calculated to be less than 50 per cent of their equalisation need had their allocation lifted to 50 per cent of the equalisation need. The remaining local governments shared in the funding remaining after these allocations were made, with their individual allocations being at least greater than 50 per cent of their equalisation need.

The Commission intends for all local governments in Western Australia in future years to receive a grant payment that is the greater value of their individual scaled back equalisation need and their minimum grant entitlement.

The Commission continues to use the balanced budget method for allocating General Purpose Grants. The balanced budget approach to horizontal equalisation applies to all 137 local governments in Western Australia and is primarily based on the formula:

$$\text{Assessed expenditure need} - \text{assessed revenue capacity} = \text{assessed equalisation need}$$

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
- investment earnings.

Assessed expenditure need is based on a standardised mathematical formula 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
- Transport.

Cost adjustors

Cost adjustors are determined through a combination of data specific to the cost adjustor as well as a population component. As several small and remote local governments have a high (more disadvantaged) cost adjustor specific data scores, a weighting on population in the cost adjustors ensures that local governments with small populations are not compensated excessively.

The cost adjustors (12), in order of significance, as determined by the Commission, are as follows:

1. Location
2. Socio-Economic Disadvantage
3. Growth
4. Population Dispersion
5. Climate
6. Aboriginality
7. Fire Mitigation (formerly Terrain)
8. Regional Centres
9. Off-Road Drainage
10. Medical
11. Cyclone
12. Special Needs.

Table 31 Western Australian cost adjustors applied to expenditure standards

Expenditure standard	Cost adjustors applied to expenditure standard
Governance	Location, Socio-Economic Disadvantage, Aboriginality, Regional Centres
Law, order and public safety	Location, Socio-Economic Disadvantage, Population Dispersion, Fire Mitigation, Cyclone, Special Needs, Aboriginality, Regional Centres
Education, health and welfare	Location, Socio-Economic Disadvantage, Population Dispersion, Medical Facilities, Aboriginality, Regional Centres
Community amenities	Location, Socio-Economic Disadvantage, Growth, Population Dispersion, Regional Centres, Off-Road Drainage, Special Needs, Aboriginality
Recreation and culture	Location, Socio-Economic Disadvantage, Growth, Population Dispersion, Climate, Regional Centres, Aboriginality
Transport	N/A

Data from a wide range of sources is used to calculate the cost adjustors applied to the expenditure standards. Wherever possible, data is collected from independent sources such as the Australian Bureau of Statistics.

Table 32 Data sources utilised by the Western Australian Local Government Grants Commission

Data Type	Source
Accessibility Remoteness Index of Australia (ARIA++)	National Centre for Social Applications of GIS (GISCA)
Socio-Economic Indexes of Areas (SEIFA)	Australian Bureau of Statistics (ABS), Cat: 2033.0.55.001
Population, population forecasts	ABS Cat: 3218.0 as at 27 March 2019, Department of Planning – 2015 WA Tomorrow Growth Report
Population dispersion	ABS QuickStats for Townsite Populations
Regional centres	Determined by the Commission
Aboriginal population	2016 ABS Census QuickStats
Fire mitigation	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 WA
Interest expenditure/investment revenue	WA Treasury Corporation, WA Local Government Grants Commission Information Returns
Valuations, area, assessments	Landgate (Valuer-General)
Residential, commercial and industrial rates, agricultural rates, pastoral rates, mining rates	WA Local Government Grants Commission Information Returns
Climate	Bureau of Meteorology

Equalisation averaging

The Commission uses the ‘Olympic’ method of averaging general purpose grant equalisation needs. This method takes the last six years’ equalisations (grant need), removes the highest and lowest figures and averages the remaining four equalisations.

Local road grant funding

The Commission distributes Local Road Grants using its Asset Preservation Model, which has been in place since 1992.

Under the arrangements approved for Western Australia, 7 per cent of the Commonwealth funds provided for local roads are 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 Commission’s Asset Preservation Model (APM).

The 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.

Main Roads WA contributes an additional third of the cost of special projects funded under this program.

The amounts allocated for 2019–20 were:

Table 33 Allocations for special projects in Western Australia

Special projects component	Amount (\$)
Roads servicing Aboriginal communities	2,796,107
Bridges	5,592,215
Distributed according to the asset preservation model	110,821,755
Total	119,210,077

Special projects – roads servicing remote Aboriginal communities

In 2019–20, the Special Projects funds for Aboriginal access roads were:

Table 34 Western Australian special projects funds for Indigenous access roads

Special projects	Amount (\$)
Special project funds from the Western Australian Local Government Grants Commission	2,796,107
State funds from Main Roads Western Australia	1,398,054
Total	4,194,161

The Aboriginal Roads Committee advises the Commission on procedures and priorities for determining the allocations of Commonwealth road funds for roads servicing remote Aboriginal communities and recommends the allocations that are made each year.

Membership of the Committee is made up of representatives from each of the following organisations:

- WA Local Government Grants Commission (Chair)
- Western Australian Local Government Association (WALGA)
- Main Roads Western Australia
- Department of Planning, Lands and Heritage
- Department of Local Government, Sport and Cultural Industries
- Department of the Prime Minister and Cabinet.

The Committee has established funding criteria based on factors including the number of Aboriginal people serviced by a road, the distance of a community from a sealed road, the condition of the road, the proportion of traffic servicing Aboriginal communities and the availability of alternative access. These criteria have provided a rational method of assessing priorities in developing a five-year program.

The Committee's recommendations are submitted to the Commission for endorsement.

Special Projects – bridges

The 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.

In 2019–20, the Special Project funds for the preservation of bridges were:

Table 35 Western Australia 2019–20 special projects for bridges

Special projects – bridges	Amount (\$)
Special Project funds from Commission	5,592,215
State funds from Main Roads	2,796,107
Total	8,388,322

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

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

The Committee regularly receives recommendations from Main Roads WA on funding priorities for bridges. Main Roads WA 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 Commission for bridge funding each year.

The Committee's recommendations are submitted to the Commission for endorsement.

Publications

Detailed calculations and explanations are made available to local governments through the Commission's website. Publications include:

- Balanced Budget
- Quarterly Grant Schedule
- Schedule of Financial Assistance Grants
- Principles and Methods of Distribution of Financial Assistance Grants
- Annual Report.

Changes to the methodology for distributing funding to local government under the Financial Assistance Grant program

Expenditure and revenue standards were calculated in the same way as 2018–19. However, equations were updated to reflect the new input data.

The Commission calculates the allocation of the general purpose grants each year in accordance with the National Principles. At the end of the process it publishes an updated methodology guide. For 2019–20, there were a number of refinements, including the following.

Medical provision cost adjustor

The 3-year expenditure average has been updated within the medical cost adjustor. The total allocation to medical provision has been increased to \$2.6 million (from \$2.3 million) and the cap increased from \$75,000 to \$85,000 (\$10,000 more than in 2018–19). Seventeen local governments have received the maximum allowance of \$85,000 and all other local governments received 82.4 per cent of their medical costs.

Special needs cost adjustor

The Commission increased the special needs cost adjustor distribution to \$80,000 for the Shire of Murchison for power generation.

Updates to the total allocation of cost adjustors

The Commission halved the funds allocated to the growth cost adjustor, with the reduction allocated across the Aboriginal, socio-economic and fire mitigation cost adjustors. This was done on the basis that most growth-related costs are capital in nature and, at handover of subdivisions, a revenue source for the local government should become available.

Expenditure standards

This year the Commission made the change within the expenditure standards to apply the Aboriginal cost adjustor and the regional centres cost adjustor against all standards (except transport) as it was agreed these two areas would affect all local government expenditures. Previously, the Aboriginal cost adjustor was only applied against Governance, and Regional Centres was only applied against Recreation and Culture, Community Amenities and Governance.

Changes to rates for 2019–20 grant determinations

Revenue standard formulas

Revenue standards are a mathematical formula used to assess the revenue earning capacity of each local government. The Commission calculates on the following revenue standards:

- residential/commercial/industrial rates
- agricultural rates
- pastoral rates
- mining rates
- investment income.

The Commission reviewed all rating category formulas for 2019–20.

Residential, commercial and industrial: The Commission determined that a formula weighting of 41 per cent on number of assessments, and 59 per cent on valuations based on the regression model, was the preferred outcome as it demonstrated a stronger relationship between local government rating inputs and rates raised.

Agricultural: The agricultural standard was reviewed, and it was determined that the prior year's weightings on variables of 26 per cent on number of assessments, 39 per cent on valuations and 35 per cent on area provided the best outcome.

Pastoral: The pastoral standard was reviewed. Historically there has been a poor correlation and an allocation of pastoral rates using area was favoured. For the first time a regression-based formula was applied as it provided an improved outcome. Weightings on formulas of 13 per cent on the number of assessments, 77 per cent on valuations and 10 per cent on area have been used.

Mining: The Commission reviewed the mining revenue standard and found an update, to the regression analysis formula, to 22 per cent on area, 37 per cent on valuations and 41 per cent on assessments provided an improved correlation and outcome.

Scaleback method

The Commission changed its phasing policy for the 2018–19 grant determinations. It had become apparent that due to the limited funding growth in recent years, the Commission was unable to provide the desired increases in grants to local governments that were receiving significantly less than their general purpose equalisation need.

The Commission agreed that this was inequitable and that a fairer method would need to be implemented. As part of this process, any local government receiving less than 50 per cent of their equalisation was lifted to 50 per cent. The scaleback (where funding available meets equalisation need) in 2019–20 was determined to be 65 per cent. As a result, any local governments above 65 per cent received a reduction of between 2 and 4 per cent in their general purpose grant. The remaining local governments below 65 per cent shared in the freed up funding. The Commission intends for all local governments to receive a common scaled back figure in the future and will continue to transition to this.

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

Under Western Australia's relevant local government regulations, all local governments in Western Australia are required to have an adopted Strategic Community Plan and a Corporate Business Plan. These are supported and informed by resourcing and delivery strategies, including an Asset Management Plan, a Long Term Financial Plan and a Workforce Plan, which may be adopted as part of the Integrated Planning and Reporting (IPR) Framework and the Advisory Standard established by the State Government.

The Department of Local Government, Sport and Cultural Industries (DLGSC) continues to monitor that Strategic Community Plans and Corporate Business Plans are being reviewed within prescribed required timeframes, whilst local government auditors continue to attest that the two asset ratios reported in the annual financial report are verifiable.

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

The MyCouncil comparative website provides a place to find out how local governments are raising, spending and managing municipal funds. The website continues to provide data on local government finances and demographics drawn principally from local government audited financial statements and the Australian Bureau of Statistics, with the data being updated annually, including in the 2019–20 financial year.

MyCouncil enables users to compare key demographic and financial information. Data such as council expenditure by program, rates and other revenue and service delivery can be viewed for each council and compared with others. The financial information presented on the website is provided by local governments to DLGSC and the Commission. Demographic data is sourced from the ABS and local governments.

MyCouncil also includes information about each local government's financial health using the Financial Health Indicator (FHI). The FHI methodology was developed by the Western Australian Treasury Corporation with input from financial professionals working in local governments across Western Australia. These provide a guide to the financial sustainability of local government, especially when viewed as a trend, and continue to provide valuable feedback to local governments which allows them to reassess and adjust their actions.

Reforms undertaken during 2019–20 to improve the efficiency and effectiveness of local government service delivery

Capacity Building Program

The DLGSC and Local Government Professionals WA partnered in a Chief Executive Officer (CEO) Support Program that assists local government CEOs to be better equipped to deal with the challenges currently facing the sector. Due to the impacts of COVID-19 in 2019–20, the program included: 16 local government CEOs who participated in coaching and mentoring; 30 CEOs who attended the Connections forums; with the executive leadership training postponed until early 2021.

2019 local government elections

The DLGSC partnered with the WALGA to jointly fund a campaign to encourage greater diversity and participation in the 2019 local government elections. The campaign included television advertising on both metropolitan and nonmetropolitan networks; online video content and a special campaign website; and local radio advertising. The theme of the campaign was to encourage participation in the council elections to ensure that all views are heard.

Peer Support Program into regional local government areas

The DLGSC continued to support the promotion of the Peer Support Program into regional local government areas. The program is a collaborative effort between the DLGSC, Local Government Professionals WA and Local Government Integrated Planners Network.

The program aims to facilitate meaningful peer support to participating local governments to help improve the content and performance of their Integrated Planning and Reporting Framework through regional collaboration and resource sharing. The program was widely promoted with interest from across the State.

Community Resilience Scorecard

In 2019–20, as part of the program and in response to COVID-19, a Community Resilience Scorecard was developed. The project was funded by the DLGSC with pro bono contributions from CATALYSE®, Local Government Professionals WA and 139 local governments across Western Australia.

The Scorecard was a state-wide collaboration to map community wellbeing, evaluate local government performance in response to COVID-19 and establish community priorities for the recovery phase. The scorecard reached over 7,000 West Australian residents over the age of 18 years.

Local Government Making a Difference Award 2019

The Western Australian Regional Achievement and Community Awards are designed to encourage, acknowledge, and reward the valuable contributions individuals, communities and businesses are making throughout regional and rural Western Australia. In 2019, the DLGSC funded the Local Government Making a Difference Award, to acknowledge the tremendous contribution of local government in regional WA. The inaugural winner was the Wheatbelt Secondary Freight Network Program which successfully bought together 42 local governments to improve road networks for the agriculture industry, creating an efficient, sustainable and cost recovery model.

Hand Ups – successful participation in local government decision-making

The DLGSC funded WALGA and the University of Western Australia to undertake research that establishes benchmark data about elected members in local government in Western Australia, following the 2019 local government elections.

The research will also determine the motivations to stand for new, elected members and re-nominating members, to provide baseline data for future census collections that will allow trends to be monitored.

The project will collect longitudinal data over a four-year period, starting with an online survey of both newly elected and nominated members from the October 2019 local government elections. A number of elected members will then be interviewed at regular intervals over the four-year period to monitor their issues and challenges and also document their successes in the whole decision-making process.

Switch Program – regional scholarships

The DLGSC sponsored three regional scholarships to participate in the Switch Program. Developed in partnership with Curtin University and the City of Canning and supported by the DLGSC, the program is designed to build a culture of innovation within the Western Australian public sector, giving delegates the mindset, tools, evidence and confidence to switch on innovative thinking. Regional scholarships were awarded to the City of Mandurah, City of Albany and the City of Greater Geraldton.

During the five days, the delegates identified their entrepreneurial strengths and areas of development, identified and tackled barriers to innovation, explored design thinking and other innovation frameworks and focused on supporting an innovation culture. The delegates then went on to work together on an Action Learning Project. These topics were selected by the delegates and aligned to the State Government priorities.

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

Closing the Gap

In 2008, the Council of Australian Governments (COAG) set targets aimed at eliminating the gap in outcomes between Indigenous and non-Indigenous Australians.

In 2016, COAG agreed to 'refresh' the approach to Closing the Gap. In 2018, a Special Gathering of prominent Aboriginal and Torres Strait Islander Australians presented COAG with a statement setting out priorities for a new Closing the Gap agenda.

A Partnership Agreement was signed in April 2019, which outlined how Aboriginal representatives, through the self-determined body, the Coalition of Peaks, would work in partnership with governments to design a new Closing the Gap framework.

During 2019, the Coalition of Peaks led a national engagement process with Aboriginal stakeholders to inform the content of the new Agreement. The DLGSC continues to work with the Department of Premier and Cabinet to input into this national process.

Promotion and support of multiculturalism

Western Australia is one of the most culturally, linguistically and religiously diverse States in Australia, with 32 per cent of the population born overseas and 53.5 per cent of the population with one or both parents born overseas. The state is home to people from 190 countries, speaking 240 languages and dialects, including Indigenous languages, and following more than 100 faiths.

In March 2020, the Western Australian Multicultural Policy Framework (WAMPF) was launched. The WAMPF ensures all Western Australians have the opportunity to participate equitably in civic, social, economic and cultural life.

The outcomes-focused framework sets out practical and measurable ways public sector agencies can ensure their operations and services are inclusive and accessible for everyone, no matter what their first language or cultural heritage may be.

It emphasises the State Government's commitment to multiculturalism and highlights the extensive benefits of WA's cultural and linguistic diversity – encompassing First Peoples, those born in Australia, and the migrants from more than 190 countries who have made WA their home.

Developed after extensive consultations with the State's culturally and linguistically diverse communities and service organisations, the framework is a useful guide for local governments, non-government organisations and the corporate sector.

New museum project

The DLGSC worked closely with the Western Australian Museum and the Department of Finance to deliver the \$400 million new WA Museum Boola Bardip project. Developed in the heart of the Perth Cultural Centre, Boola Bardip ('many stories') is to share the stories of people and place – acting as a gateway to explore all of Western Australia. It reflects the extraordinary history, distinctiveness, creativity and diversity of our state and region.

The new WA Museum Boola Bardip opened in November 2020.

Gnarla Boodja Mili (Our Country on Paper)

In September 2019, Gnarla Boodja Mili (Our Country on Paper) launched. This is an online, interactive map that comprehensively documents traditional Aboriginal place names in central Perth. Thirty-one places with information about the Aboriginal significance of each place have been identified and recorded on the map. The project involved intensive research and the analysis of thousands of historical records about significant Aboriginal areas in Boorloo (Perth), to record and preserve traditional knowledge. Gnarla Boodja Mili is the first of its kind in Australia to interactively and comprehensively document the Aboriginal places in a capital city CBD area.

The Museum of Perth has partnered with the DLGSC to deliver Gnarla Boodja Mili as a travelling exhibition displaying a series of panels with information about the thirty-one Aboriginal locations. The exhibition opened at the Museum of Perth gallery in August 2020.

Local government reform activities, including deregulation and legislative changes, by the state during 2019–20

Western Australia is continuing to undertake a review, of the *Local Government Act 1995* (the Act), which, in part, is aiming to address local government sustainability and provide legislation that enables local governments to provide services efficiently and in a method that is appropriate for them.

During 2019–20, a number of provisions in the *Local Government Legislation Amendment Act 2019* took effect, including mandatory training for elected members and candidates, a new framework for the receipt and disclosure of gifts, and greater transparency with a wide range of information being required to be published on local government websites.

To progress further reforms to the Local Government Act, in November 2019, the Western Australian Minister for Local Government appointed a Local Government Act Review Panel to guide the strategic direction of the Act's review. The Panel provided its Final Report to the Western Australian Minister in June 2020.

Local Government Amendment (COVID-19 Response) Act 2020

On 21 April 2020, the *Local Government Amendment (COVID-19 Response) Act 2020* received Royal Assent. This Act introduced a new part into the *Local Government Act 1995* to specifically deal with the pandemic. It allows local governments to suspend a local law, or parts of a local law, to temporarily remove local restrictions which may be beneficial to the district, or parts of the district, during the state of emergency.

The State Government gazetted the Response Act to ensure that local governments were able to focus on critical responses to the state of emergency conditions in the second half of 2019–20. Local governments across Western Australia mobilised to support their communities through the early parts of the COVID-19 pandemic. Local governments across Western Australia worked closely with the State Government to address the immediate public health risks, provide continuity of critical public services, and support communities and industries to recover from the immediate economic uncertainty associated with the pandemic emergency.

The Response Act also provided a power to enable the Western Australian Minister to modify or suspend provisions of the *Local Government Act 1995* and Regulations while a State of Emergency declaration is in force and where the Western Australian Minister considers that such an order is necessary to deal with the consequences of the COVID-19 pandemic.

The first Ministerial order was gazetted on 8 May 2020 to deal with issues relating to the requirements to hold public meetings, access to information when council offices are closed, and related budgetary matters.

State and local governments in WA are now considering how many of the innovative responses to the pandemic, including widespread adoption of videoconferencing as an option for council meetings, can be transitioned to benefit public engagement with local governments into the future.

Stop Puppy Farming

An election commitment was made in 2017 to introduce legislation to stop puppy farming in Western Australia. The commitment included the introduction of a centralised registration system, mandatory sterilisation for dogs, transitioning pet shops to adoption centres and mandatory dog breeding standards. Consultation on the four pillars of the election commitment was sought between 3 May 2018 and 3 August 2018. During consultation, 4,754 submissions were received. This feedback informed drafting of the Dog Amendment (Stop Puppy Farming) Bill 2020, which was introduced into Parliament on 19 February 2020, and passed the Legislative Assembly on 25 June 2020.

Dog and Cat Act reviews

The Dog Amendment Act 2013 and Cat Act 2011 came into effect in 2013 and required a statutory review to identify how effective the changes were in the control and management of cats and dogs in Western Australia. Following a period of consultation, the report was tabled in Parliament on 27 November 2019.

Report from the Western Australian Local Government Association (WALGA)

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

Annual Assets and Expenditure Report

A Report on Local Government Road Assets and Expenditure is produced annually by WALGA with assistance from the WA Local Government Grants Commission. The report provides information on the lengths and types of roads, paths and bridges and highlights trends in the data over the preceding five years. It includes statistics and trends on the funding sources and amount of local government expenditure on roads, paths and bridges. Details are provided on the allocation of expenditure between expansion, upgrade, maintenance and renewal of the network at a regional level and for individual local governments.

The expenditure statistics are analysed to provide comparisons of road preservation performance, net preservation needs and expenditure effort. These comparisons provide insight into the adequacy of funding and the difference between road preservation needs and current expenditure on road preservation.

Analysing and reporting the use of road assets, specifically heavy vehicle access, safety outcomes and condition data was the focus of developments to these reports.

Financial Hardship Policy Implementation Guide

WALGA released a template Financial Hardship Policy to help local governments assess the unique circumstances and challenges that ratepayers might encounter as a consequence of the COVID-19 pandemic.

In response to the anticipated high uptake of this Policy by local governments, WALGA also prepared a template Financial Hardship Policy Implementation Guide. This Guide will assist in the administration of a local government's policy and lead to the establishment of a consistent approach to the assessment of financial hardship across the local government sector.

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

Condition assessment of regionally significant roads

A project commenced that will ultimately result in a condition survey of all roads of regional significance being completed using a consistent or comparable methodology. Regionally significant roads include district distributors, regional distributors and other routes, including defined freight networks, that are shown to have a clear role in contributing to economic and/or social wellbeing of the State.

The data also provides initial function evidence in the event that claims for disaster recovery funding are made.

Local Government Performance Monitoring Project – planning and building

The Local Government Performance Monitoring Project was proactively initiated by local governments in response to the concerns over a 2016 Property Council report, which did not accurately represent all of the planning and building functions a local government undertakes. The most recent and fourth iteration of the report was released in early 2021.

The 2021 Report outlines the planning performance of 29 local governments, which account for approximately 90 per cent of the total State's population. It provides a collated view of the local governments involved as it is about the performance of the sector as a whole and not about an individual council's performance. The collated report clearly shows an excellent representation of how the sector is achieving its strategic and statutory planning functions and achieving the statutory timeframes of the planning and building approvals processes.

In addition to the collated report, an individual report for each local government has also been provided to participants, showing where the local government sits within the benchmarked group of councils. The report also provides a comparative assessment of their previous year's performance (where available).

The data collection for the 2020–21 version is currently being undertaken, with 29 local governments again participating. Given the release of the State Government's Planning Reform Action Plan, and the inclusion of a data monitoring project, it is hoped that these data fields will be incorporated into this action of the State's Planning Reform Program.

Reforms undertaken during 2019–20 to improve the efficiency and effectiveness of local government service delivery

Safe System Demonstration Project

WALGA's RoadWise Program commenced development of a project to demonstrate best practice and showcase local government leadership in road safety. This involves collaborating with participating local governments, to develop and embed a road traffic safety management system, based on the International Standard for road traffic safety management systems (ISO 39001), within the organisation. The aim of this project, the first of its kind in Australia, is to demonstrate the ways in which local government can apply safe system principles to proactively manage road safety performance.

Courtesy Speed Display Signs

Courtesy Speed Display Signs (CSDS) were made available to local governments, on a loan basis through WALGA RoadWise, to install in targeted areas to promote safer local streets. The interactive signs assist in slowing traffic on local streets by encouraging behaviour change which can be further enhanced through speed enforcement by local police. The roadside display signs are particularly useful to support speed limit changes and speed management treatments to make local streets safer, particularly for pedestrians and cyclists. During the year, the signs were loaned 12 times, on a monthly loan basis, to a total of 11 local governments across six regions.

Policy template for works and events in the road reserve

A new policy template was developed that can be adopted or adapted by local governments to assist them implement a robust framework to manage contractors working in the road reserve. The template defines an approvals process for different types of works, traffic management obligations and restoration requirements.

Local Government Guidelines for Restoration and Reinstatement in Western Australia

To complement the Policy Template for Works in the Road Reserve, WALGA initiated a review of the Institute of Public Works Engineering Australasia's (IPWEA's) restoration guidelines published in 2002. A working group of practitioners from local governments,

Main Roads WA, IPWEA and WALGA developed a completely new guideline. The guideline is designed to assist local governments manage third parties, such as utility providers, working in the road reserve or on other land under the control of local government. The guidelines set out requirements for the planning and approval of works, restoration of roads, kerbs, footpaths and other infrastructure and the reinstatement of verges, parks and reserves.

Level 1 Bridge Inspection Framework

Western Australian local governments are responsible for some 900 bridges and are required to perform and record annual inspections and routine maintenance on all of these bridges. There was no formalised process to manage this obligation and WALGA together with Main Roads WA have developed a framework that sets out a procedure for the performance, reporting and monitoring of inspections. To support local governments to comply with the framework, WALGA has been providing workshops that cover the theory and practices needed to perform level 1 inspections.

Procurement amendments – tender threshold and contract extensions

The Local Government (Functions and General) Regulations have been amended to increase the tender threshold to \$250,000 and remove the requirement to publicly invite tenders, during a state of emergency, for:

- the supply of goods or services associated with a state of emergency
- a contract renewal or extension of no more than 12 months when the original contract is to expire within three months.

These amendments, which represent another advocacy success, permit a wider range of procurement activities to be conducted under Purchasing Policies and assist local governments in their response and recovery activities.

Electronic council meetings – Local Government (Administration) Regulations

In relation to council meetings, WALGA successfully advocated on the sector's behalf for amendments to the Local Government Administration Regulations to allow council meetings to be held electronically during the COVID-19 pandemic. These amendments were gazetted in late March 2020.

The amendments provide for local governments to convene council and committee meetings with all participants remotely in attendance by instantaneous communications. The changes ensure that council decision making, necessary for responding to the COVID-19 Public Health Emergency and for continuing to administer the local government's functions, can continue.

Local Government (Long Service Leave) Regulations amendments

WALGA successfully advocated for amendments to the Long Service Leave Regulations during the COVID-19 pandemic to:

- clarify that long service leave will continue to be accrued during any period of absence from duty due to the employer's response during a state of emergency
- allow long service leave to be taken in two or more separate periods
- allow employees to access long service leave during a state of emergency if they have completed at least seven years of continuous service.

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

Positive Partnerships Forum

On Tuesday, 6 August 2019, WALGA hosted the Building Positive Partnerships with Aboriginal Communities Forum. The Forum attracted over 170 delegates from 48 local governments, as well as state government departments and community organisations.

The aim of the Forum was to assist local governments to develop strong, ongoing relationships with local Aboriginal communities that recognise shared cultural heritage, build community capacity and celebrate success.

Highlights included presentations by Aboriginal presenters including Dr Richard Walley, Mr Lester Coyne and Mr Wayne Nannup, on the diversity of the content, and the insights provided into the reconciliation action planning process.

WA Local Government Reconciliation Network

WALGA facilitates the WA Local Government Reconciliation Network. This group brings together WA local government officers working in reconciliation and Aboriginal projects, including experienced Aboriginal community development officers who can provide advice and guidance on Aboriginal engagement.

The main purpose of the group is to share peer-to-peer advice and learnings, offer support and encouragement, explore opportunities for partnership and collaboration between local governments, and coordinate meetings and events.

Meetings are hosted by WALGA quarterly and have provided opportunities for stakeholders such as Main Roads, Department of Premier and Cabinet, and Landgate to share information and engage with local government employees.

WALGA webinar: Local Government Support for Aboriginal Language and Place Names

On Thursday 28 May 2020, WALGA hosted a webinar to highlight how the use of Aboriginal language and place names assists with promoting broader community awareness of Aboriginal history and culture, and to look at the significant role local government can play in this area.

The program included case studies from local government on a variety of projects involving Aboriginal language and place naming, as well as a presentation from Landgate on Aboriginal place naming procedures and best practice.

Aboriginal Heritage Bill update

In partnership with the Department of Planning, Lands and Heritage, WALGA hosted a webinar on the new Aboriginal heritage legislation for Western Australia on Monday 23 March 2020. The webinar provided an opportunity to update local governments on the new legislation and seek feedback on support requirements to assist with compliance.

Report from the South Australian Government and the Local Government Association of South Australia (LGASA)

The methodology used by the South Australian Local Government Grants Commission for distributing funding under the Financial Assistance Grant program to local government for 2019–20

General purpose grant

The methodology used to assess the general purpose component of the Local Government Financial Assistance Grants is intended to achieve an allocation of grants to local governing bodies in the state consistent with the National Principles. The overriding principle is one of horizontal fiscal equalisation, which is constrained by a requirement that each local governing body must receive a minimum entitlement per head of population as prescribed in the Commonwealth legislation.

The South Australian Local Government Grants Commission uses a direct assessment approach to the calculations. 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 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 can be 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 can be 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 = $\frac{\text{expenditure or income}}{U}$

RRl = Revenue Relativity Index. CRl = Cost Relativity Index (also known as a disability factor). They are centred around 1.00, i.e. RRls or CRls equals 1.00. If more than one CRl exists for any function, then they are multiplied together to give an overall CRl for that function.

In the revenue calculations for both residential and rural assessments, the Commission has calculated a revenue relativity index based on the SEIFA Index of Economic Resources (from the Australian Bureau of Statistics). Where no revenue relativity index exists the RRlc = 1.0. Currently in all expenditure calculations with the exception of roads and stormwater maintenance, there are no disability factors applied and consequently, CRlc = 1.0.

The raw grants, calculated for all functions using the above formulae, 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 of \$21.01 for 2019–20, 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. Commission determined limits are then applied to minimise the impact on council's budgetary processes.

In the calculation of the 2019–20 grants, the Commission constrained changes to councils' grants to between negative 3 and positive 14 per cent. No councils received increases or decreases in grants outside the constraints. 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 greater or less 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 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 RRlc and those for the state as a whole, and multiplying this back by the council's population.

The state 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
- other.

To overcome fluctuations in the base data, valuations, rate revenue and population are averaged over three years. Revenue Relativity Indices (RRlc) 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'. That is, subsidies such as those for library services and roads are included as a revenue function.

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 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 state 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, 'kilometres 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 the state 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, in this example to reconstruct or maintain a kilometre of road. Accordingly, the methodology allows for a *cost relativity index (CRI)*, 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, CRI's 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. The following table details the approach taken to expenditure functions included in the methodology.

Table 36 South Australia's expenditure functions included in the methodology

Expenditure function	Standard cost	Units of measure
Waste management	Reported expenditures ¹	Number of residential properties, rural and commercial (shop) properties
Aged care services	Reported expenditures ¹	Population aged 65+ per ABS Census and estimated resident population
Services to families and children	Reported expenditures ¹	Population aged 0–14 years per ABS Census and estimated resident population
Health inspection	Reported expenditures ¹	Establishments to inspect
Libraries	Reported expenditures ¹	Estimated resident population
Sport, recreation and culture	Reported expenditures ¹	Population aged 5–64 years per ABS Census and estimated resident population
Sealed roads – built-up ⁵	Reported expenditures ¹	Kilometres of built-up sealed road as reported in GIR
Sealed roads – non-built-up ⁵	Reported expenditures ¹	Kilometres of non-built-up sealed road as reported in GIR
Sealed roads – footpaths etc	Reported expenditures ¹	Kilometres of built-up sealed road as reported in GIR
Unsealed roads – built-up ⁵	Reported expenditures ¹	Kilometres of built-up unsealed road as reported in GIR
Unsealed roads – non-built-up ⁵	Reported expenditures ¹	Kilometres of non-built-up unsealed road as reported in GIR
Unformed roads ⁵	Reported expenditures ¹	Kilometres of unformed road as reported in GIR
Stormwater drainage maintenance ^{2,3}	Reported expenditures ¹	Number of urban properties ⁴
Community support	Reported expenditures ¹	Three-year average population * SEIFA Advantage/Disadvantage CRI
Jetties and wharves	Reported expenditures ¹	Number of jetties and wharves
Public order and safety	Reported expenditures ¹	Total number of properties
Planning and building control	Reported expenditures ¹	Number of new developments and additions
Bridges	Reported expenditures ¹	Number of bridges
Environment and coastal protection	Reported expenditures ¹	Estimated Resident Population
Other needs assessments	Set at 1.00.	Based on Commission-determined relative expenditure needs in a number of areas ⁶

Notes:

- 1 Council's net expenditure reported in the Commissions' Supplementary returns.
- 2 Includes both construction and maintenance activities.
- 3 The Commission has also decided, for these functions, to use CRI's based on the results of a previous consultancy by BC Tonkin and Associates.
- 4 Urban properties = sum of residential properties, commercial properties, industrial properties, exempt residential properties, exempt commercial properties and exempt industrial properties.
- 5 The Commission has, for these functions, used CRI's 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.
- 6 Comprises Commission-determined relative expenditure needs with respect to the following:
 - Non-Resident Use / Tourism / Regional Centre – assessed to be high, medium or low
 - Isolation – measured as the distance from the GPO to the main service centre for the council (as published in the South Australian Local Government Directory by the South Australian Local Government Association)
 - 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.

The final factor, *Other needs assessment* (also known as *Function 50*), originates from awareness by the 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 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 Commission must exercise its judgement, based on experience, the evidence submitted to the Commission, and the knowledge gained by the Commission during visits to council areas and as a result of discussions with elected members and staff.

The calculated standards by function are outlined below.

Table 37 South Australia's calculated standards by function

Total population = 1,730,280

Function	Standard (\$)	Unit of measure per capita	Total units of measure	Unit of measure
Expenditure functions				
Waste management	173.42	0.47898	822,037	Number of residential, rural and commercial (shop) properties
Aged care services	144.31	0.18083	310,342	Population aged more than 65
Services to families and children	71.67	0.17748	304,596	Population aged 0 to 14
Health inspection	475.88	0.01250	21,453	Establishments to inspect
Libraries	69.49	1.00818	1,730,280	Estimated resident population
Sport, recreation and culture	290.53	0.76000	1,304,340	Population aged 5 to 49
Sealed roads – built-up	12,929.19	0.00634	10,888	Kilometres of sealed built up
Sealed roads – non-built-up	12,929.19	0.00461	7,911	Kilometres of sealed non built up
Sealed roads – footpaths etc	17,921.09	0.00634	10,888	Kilometres of sealed built up
Unsealed roads – built-up	1,904.60	0.00041	697	Kilometres of formed and surfaced, and natural surface formed built up road
Unsealed roads – non-built-up	1,904.60	0.02737	46,979	Kilometres of formed and surfaced, and natural surface formed non built up road
Roads – unformed	376.35	0.00496	8,518	Kilometres of natural surfaced unformed road
Stormwater drainage – maintenance	93.72	0.46336	795,243	Number of urban, industrial and commercial properties including exempt
Community support	52.88	0.99988	1,716,036	Three-year average population * the Socio Economic Indexes For Areas Advantage Disadvantage Cost Relativity Index
Jetties and wharves	30,336.71	0.00005	78	Number of jetties and wharves
Public order and safety	30.00	0.55128	946,120	Total number of properties

South Australia's calculated standards by function (continued)

Function	Standard (\$)	Unit of measure per capita	Total units of measure	Unit of measure
Planning and building control	2,119.51	0.02501	42,917	Number of new developments and additions
Bridges	11,987.83	0.00041	701	Number of bridges
Environment and Coastal Protection	21.20	1.00818	1,730,280	Estimated Resident Population
Other special needs	1.00	19.04482	32,685,400	Total of dollars attributed
Revenue functions				
Rates – residential	0.0037	165,200	283,217,295,636	Valuation of residential
– commercial	0.0067	21,912	37,606,500,283	Valuation of commercial
– industrial	0.0077	3,517	6,035,654,979	Valuation of industrial
– rural	0.0036	22,060	37,294,636,577	Valuation of rural
– other	0.0042	6,817	11,700,139,441	Valuation of other
Subsidies	1.00	30.08689	51,636,188	The total of the subsidies

Calculated standards by function

The Commission uses the above table to enable it to calculate a council's raw calculation for each of the given functions. To do this we calculate each individual council's unit of measure per capita, compare it with the similar figure from the table and then multiply the difference by the standard from the table and its own population. If CRI's are applicable, then they must be included as a multiplier against the council's unit of measure per capita.

It must be stressed that this process determines whether a single council has a greater than average capacity to provide services (and is therefore a per capita minimum council) or a less than average capacity. For councils with a less than average capacity, the raw calculation determines the 'share', of the available funding, to which the council is entitled, subject to the application of final constraints.

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 calculation figure.

Where the raw calculation per head of population for a council is less than the per capita minimum established as set out in the Act, \$21.01 for 2019–20, the calculation is adjusted to bring it up to the per capita minimum entitlement. The balance of the allocated amount, less the 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 calculation. This process provides what the Commission call its 'per capita applied' grant.

Commission-determined limits, known as constraints or caps and collars, may then be applied to per capita grants to minimise the impact on a council's budgetary processes or for the Commission to manage changes in grants (up or down) as a result of methodology changes or other external impacts on the available funding. In the calculation of the 2019–20 grants, the Commission constrained changes to councils to between negative 3 and positive 14 per cent. An iterative process is then undertaken until the final 'estimated grant' is determined.

Identified local road grant

In South Australia, the identified local road grants funding 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 are based on recommendations from the Local Government Transport Advisory Panel. The Panel is responsible for assessing submissions from the metropolitan local government group and 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 Grants Commission's recommendations for distribution of Financial Assistance Grants.

It has a broad responsibility for management and local governance of the unincorporated areas of South Australia. The Authority has a particular emphasis on providing assistance in the provision of local government type services normally undertaken by local councils elsewhere in the State.

Due to the lack of comparable data, the Commission is not able to calculate the grant to the Authority in the same manner as grants to other local governing bodies. Rather, a per capita grant has been established. The 2019–20 per capita grant was \$525.18.

Aboriginal communities

Since 1994–95, the Grants Commission has allocated grants to five Aboriginal communities recognised as local governing bodies for the purposes of the *Local Government (Financial Assistance) Act 1995 (Cth)*.

The Aboriginal communities are Anangu Pitjantjatjara Yankunytjatjara (APY), Gerard Community Council Aboriginal Corporation, Maralinga Tjarutja, Nipapanha Community Aboriginal Corporation, and Yalata Anangu Aboriginal Corporation.

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 Commission utilised the services of a consultant, Alan Morton, of 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 funding for South Australia since the initial study. For the 2019–20 financial year, the per capita grant varied from \$210.83 for the Gerard Community Council to \$1,519.73 for the Maralinga Tjarutja Community.

Changes to the methodology for distributing funding to local government under the Financial Assistance Grant program for 2019–20 from that used in 2018–19

Following a range of changes to the Commission's methodology for 2016–17 and the resumption of indexation of the Financial Assistance Grants for 2017–18, the Commission did not make any changes to the methodology for distribution of funding to local governing authorities for 2019–20.

The Commission, instead, focussed its efforts on the movement of grants via the application of constraints to the grant recommendations for 2019–20 in order to address changes in per capita applied grants to councils that had occurred during the previous three years when indexation of the Financial Assistance Grants had been frozen.

The tight constraints on changes in grants during the indexation pause saw per capita applied grants for many councils trending away from their estimated grants for previous years and the Commission implemented a range of constraints between negative 3 per cent and positive 14 per cent to address some of these trends.

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 SA (LGASA) continued to provide advice and assistance to the sector in 2019–20 through resources that were developed and distributed during its previous Financial Sustainability Program (FSP) (2005/2017).

Those published, reviewed or updated in 2019–20 included:

- LG FS Info Paper 1 – Financial Sustainability (2019)
- LG FS Info Paper 5 – Efficiency and Economy Examinations (2019)
- LG FS Info Paper 6 – Infrastructure and Asset Management (2019)
- LG FS Info Paper 7 – Service Delivery Framework and the Role of Shared Services (2019)
- LG FS Info Paper 23 – Financial Governance (2019)
- LG FS Info Paper 25 – Monitoring Council Budget Performance (2019)
- LG FS Info Paper 26 – Service Range and Level (2019)
- LG FS Info Paper 27 – Prudential Management (with Model Policy) (2019).

In addition, during 2019–20, a number of small regional councils received a subsidy, via the Building Capacity in Small Regional Councils program, to enable the attendance of council members and staff at relevant training courses which would improve their core financial and asset management skills.

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

Comparisons between councils on a wide range of data are facilitated by the annual publication by the SA Local Government Grants Commission of annual 'database reports' dating back to 1995–96. These reports are publicly available at: <https://www.dit.sa.gov.au/local-government/grants-commission/publications>.

Financial indicators

The Local Government (Financial Management) Regulations 2011 require councils to use three specific financial indicators in their financial planning and reporting – operating surplus ratio, net financial liabilities ratio and asset renewal funding ratio. The Office of Local Government published on its website detailed explanatory information, about each financial indicator, and trend data, covering individual councils for 2019–20, in the Financial Indicators Dashboard.

Reforms undertaken during 2019–20 to improve the efficiency and effectiveness of local government service delivery

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, and royalties on extractive minerals, it was overseen by an Advisory Committee comprising three members of the LGA Board, a metropolitan Chief Executive Officer (CEO), a country CEO, a representative from local government trade unions, a representative from South Australian universities, the Office of Local Government and the LGA Chief Executive.

From its inception in 1997, until 30 June 2020, the Scheme had approved over 750 projects, with approximately \$31 million in approved funding. This has attracted significant matching funds and in-kind support from other sources.

Projects approved for funding during 2019–20 were:

- 2019.51 Funding the Future – A New Approach for Coastal Management in SA
- 2019.54 Sustainability and Expansion of the Connected Cities Sensor Network
- 2019.55 Rating Equity Councils Ability for Growth
- 2019.56 Financial Sustainability and Economic Development Strategies for Regional Airports
- 2019.59 Our Inspiring Local Communities
- 2019.63 Feasibility Study – Animal Detention Facilities
- 2019.64 Regional Youth Volunteering Trial
- 2019.65 DPTI ePlanning Integration
- 2019.66 Benchmarking User Experience in Public Library Services
- 2019.67 Social Procurement for Local Economic Development – Scoping its Potential in Three Case Studies
- 2019.68 Community Wellbeing Indicators for South Australian Local Government

- 2019.72 Cost/Benefit Analysis of Establishing Materials Recovery Facilities in Regional Areas of South Australia with Low Waste Volumes.
- 2019.78 Environment Health Officer Emergency Management Support Resources
- 2020.02 Support Councils in the Implementation of the PDI Act and Planning and Design Code
- 2020.03 Mapping the Elements of Council Enterprise Bargaining Agreements
- 2020.05 Local Government Reform Implementation
- 2020.06 Model Financial Statements Annual Updates (2021 and 2022)
- 2020.07 Strategic Management Plan Templates
- 2020.08 Food Waste Recycling Initiative 'Food for the Earth'
- 2020.10 Improving Educational Content in Preparation for 2022 Elections
- 2020.11 Special Local Roads Program – Governance Review
- 2020.14 Public Lighting Support for SA Councils
- 2020.30 Local Government Response to COVID-19 (Resources, Support and Guidance For Councils).

Guidelines and model policies

The LGA 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.

Those published, reviewed or updated in 2019–20 included:

- Governance Legislation Self-Audit Tool (July 2019)
- Fraud, Corruption, Misconduct and Maladministration Prevention Model Policy (Sept 2019)
- Annual Report Guidelines (Jan 2020)
- Labour Hire Licensing Fact Sheet (Jan 2020).

The LGA also worked with our legal partners to provide councils with information and resources to support continued operations throughout the COVID-19 public health emergency. This included a COVID-19 telephone advice line and portal on the LGA website, with advice, templates and information for councils, as well as operational guidelines issued regularly to councils through the Local Government Functional Support Group.

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

During 2019–20, the LGA worked with Reconciliation SA to deliver a Local Truth Telling Workshop for Elected Members and council staff. The workshop included a welcome address from Karen Mundine, CEO of Reconciliation Australia.

Participants were able to share practical and real examples of truth telling, consider the opportunities that exist for local government and communities to engage in effective truth telling at a local level, and explore what might be needed to further progress truth telling initiatives.

In April 2015, the State Government secured \$15 million from the Commonwealth to provide municipal services to Aboriginal communities outside of the APY Lands.

The Municipal Services program for Aboriginal lands is now administered by the Office of Local Government, SA Attorney-General's Department.

Over 2019–20, \$2.9 million (ex GST) was provided to deliver municipal services including waste management, dog control and environmental health, road maintenance and water provision.

Of the 17 service providers funded, 4 are local councils or a similar body, including:

- Berri Barmera Council for services to the Gerard Aboriginal community
- the District Council of Yorke Peninsula for services to the Point Pearce Aboriginal community
- the District Council of Coober Pedy for services to Umoona Aboriginal community
- the Outback Communities Authority for services to the Dunjiba Aboriginal community.

This funding will continue to be provided to communities during 2020–21 to support these vital services.

Local government reform activities including deregulation and legislative changes by the jurisdiction during the reporting period

Local government reform

The Statutes Amendment (Local Government Review) Bill 2020 (the Bill) was introduced into Parliament on 17 June 2020. The Bill, which has been developed following 18 months of consultation with councils and the community, represents the most significant changes to the local government system that have been brought forward in a single Bill since the Local Government Act was passed in 1999.

The Bill includes reforms across local government legislation, focusing on four key areas of improvement:

- stronger council member capacity and better conduct
- lower costs and enhanced financial accountability
- efficient and transparent local government representation
- simpler regulation.

Key reforms include a new conduct management framework for council members through a new Behavioural Standards Panel, establishment of a rate monitoring system, an increased role for councils' audit and risk committees, development of a Community Engagement Charter, a range of time and cost saving measures for councils, and a range of reforms to local government elections.

The LGA conducted a comprehensive consultation process with members and provided the Government with extensive feedback on reform ideas for the sector. Many of the ideas and feedback provided by the sector were incorporated in the Statutes Amendment (Local Government Review) Bill 2020. Changes welcomed by the sector included improving the Code of Conduct for council members and reducing red tape. The LGA will continue consulting with member councils and working with the Government and Parliament in 2020–21 to ensure that any legislative reforms drive downward pressure on rates and support councils to deliver even better value for communities.

Planning, Development and Infrastructure Act implementation

During 2019–20, the LGA provided a suite of information and resources to councils to support them in the implementation of the Planning and Design Code, including model Meeting Procedures and Terms of Reference for Assessment Panels in addition to delegations for the new relevant authorities established under the *Planning, Development and Infrastructure Act 2016*. Weekly webinars were also held with council staff to keep them informed and updated as the new planning system was rolled out.

Disability Inclusion Act 2018

With support from the Local Government Research and Development Scheme and participating councils, the LGA engaged a Senior Policy Officer – Disability Inclusion – to support councils to develop Disability Access and Inclusion Plans (DAIPs) as legislated in the *Disability Inclusion Act 2018*. With guidance from the Disability Practice and Plans Project Reference Group, the LGA assisted councils to develop a Community of Practice comprised of an LGA DAIP web page, LinkedIn group, buddying system and resource sharing. Workshops were offered to councils via webinars for council staff and elected members, followed by coaching workshops on specific DAIP topics, including community consultation processes and plan review requirements.

SA Productivity Commission Inquiry into Local Government Costs

The South Australian Productivity Commission's (SAPC's) Final Report on its Inquiry into Local Government Costs and Efficiency was provided to the Premier on 22 November 2019. The SAPC presented nine recommendations to the State Government and ten pieces of advice to councils structured around four themes:

1. information for improved decision making
2. managing cost pressures
3. efficiency and continuous improvement
4. governance, accountability and transparency.

The State Government published its response to the SAPC's Final Report on 20 February 2020.

The LGA worked closely with the SAPC on its Inquiry into Local Government Costs and Efficiency to ensure that the value delivered by councils, and external cost pressures on the sector, were well understood. The Commission's final report found that 'compared with each other, most councils achieved high levels of relative efficiency'.

The report made a number of recommendations and the LGA is continuing to work with the Government and member councils to respond to these recommendations and implement best practice reforms that are supported by members.

Report from the Tasmanian Government

The methodology used for distributing funding under the Financial Assistance Grant program to local government for 2019–20 by the Tasmanian State Grants Commission

In arriving at its distribution recommendations, the State Grants Commission (SGC) considers the requirements of the National Principles, issued under the *Local Government (Financial Assistance) Act 1995 (Cth)*, namely: Horizontal Equalisation, Effort Neutrality, Minimum Grant, Other Grant Support, Aboriginal People and Torres Strait Islanders, and Council Amalgamation for the base grant allocations; and Asset Preservation for the road grant allocations.

For the following explanation, the general purpose portion of the Financial Assistance (FA) Grant funding is referred to as the base grant, and the identified local road funding is referred to as the road grant.

Methodology used for calculating base grant allocations

The base grant is distributed using a two pool approach. Firstly, 30 per cent of the base grant is allocated to councils based on their share of the State's total population (this is referred to as the per capita grant), and secondly, the remaining 70 per cent of the base grant (the relative needs pool) is allocated on a relative needs or equalisation basis. This is seen as the simplest and most transparent means of distributing the base grant according to relative need, horizontal equalisation (National Principle 1) and the minimum grant (National Principle 3) National Principle.

Each year, the Commission uses a balanced budget equalisation model to calculate the distribution of the relative needs pool. Each council's relative needs grant is determined by the difference between the Commission's assessment of each council's expenditure requirement necessary to provide services to a common standard with all other councils, and each council's capacity to raise revenue to fund the delivery of those services, as calculated by the Commission. The difference between the Commission's assessment of each council's revenue capacity and expenditure requirement indicates each council's relative need for additional support, and thus a share of the relative needs pool.

Councils that are assessed as having a standardised surplus (i.e. where their assessed revenue capacity is greater than their assessed expenditure requirement) are regarded as having sufficient capability to function, by reasonable effort, at a standard not lower than the average of other Tasmanian councils. As such, these councils do not receive a share of the relative needs pool. These councils, referred to as 'minimum grant councils', only receive their population share of the base grant.

The relative needs pool is allocated amongst councils assessed as having a standardised deficit (that is, where their assessed expenditure requirement is greater than their assessed revenue capacity). An assessed deficit indicates that the council does not have sufficient capability to function, by reasonable effort, at a standard not lower than the average standard of other Tasmanian councils, and thus requires additional support. The relative needs pool is allocated amongst the 'Relative Needs Councils' in proportion to their respective standardised deficits.

The standardised surplus/deficit calculation is:

$$\text{Revenue Capacity} - \text{Expenditure Requirement} = \text{Assessed Surplus/Assessed Deficit}$$

Revenue Capacity is calculated as the three-year average of

- the revenue a council would raise by applying the state-wide average rate to the adjusted assessed annual value of all its properties subject to rates and charges (standardised revenue) plus
- the council's per capita grant allocation plus
- Other Financial Support (OFS) receipts that meet the criteria for inclusion, in accordance with the requirement to apply National Principle 4 on Other Grant Support.

Expenditure Requirement is calculated as follows:

- a three-year average of the expenditure required to provide a common range of services (standardised expenditure) plus
- any additional allowances provided to councils for either doctors' practices or airports plus
- the Budget Result Term (BRT), which is a per capita allocation of the difference between all state-wide sources of revenue, including the current year's grant funding, and all state-wide expenditure requirements. The inclusion of the BRT enables the assessment of every council's relative need using a balanced budget approach at a state level.

Standardised Expenditure is calculated for each functional category², with the exception of roads, as follows:

1. calculate each council's actual expenditure, net of any operational OFS receipts that meet the criteria for recognition as OFS by Deduction, in accordance with the requirement to apply National Principle 4 on Other Grant Support
2. sum the net council expenditure to determine the total state-wide expenditure (total actual expenditure)
3. redistribute the total state-wide expenditure between all councils on a per capita basis (standard expenditure) and then
4. apply cost adjustors to each council's standard expenditure to reflect inherent cost advantages/disadvantages faced by individual councils in providing services.

The SGC currently uses 11 cost adjustors in its base grant model as follows: absentee population; climate; dispersion; isolation; population decline; regional responsibility; scale (admin); scale (other); tourism; unemployment; and worker influx.

The Commission has formally investigated and considered the issue of how to recognise the needs of Aboriginal peoples and Torres Strait Islanders within council boundaries in its base grant assessment process. Based on both the Index of Relative Indigenous Socioeconomic Outcomes and advice provided by those councils with the highest proportion of their populations recognising as having Indigenous origin, the Commission has formally determined that no additional adjustments are needed, within Tasmania's base grant model methodologies, in order to account for the different needs of Aboriginal peoples and Torres Strait Islanders across municipalities in Tasmania.

2 The Commission's base grant equalisation model assesses council expenditure using the following functional categories: General Administration; Health, Housing and Welfare; Law, Order and Public Safety; Planning and Community Amenities; Waste Management and the Environment; Recreation and Culture; Other; and Roads.

Standardised road expenditure for the base grant equalisation model is calculated as follows:

1. calculate each council's actual expenditure, net of any operational OFS receipts that meet the criteria for recognition as OFS by Deduction, in accordance with the requirement to apply National Principle 4 on Other Grant Support
2. sum the net council expenditure to determine the total state-wide expenditure (total actual expenditure)
3. redistribute the total state-wide road expenditure based on each council's relative share of the distribution of the road grant as calculated by the Road Preservation Model (RPM). An explanation of the RPM methodology is explained in the following section.

Methodology used for calculating road grant allocations

The RPM is used by the Commission to distribute the road grant amongst councils. The RPM assesses each council's share of the annualised cost for the whole of life preservation cost of council road, bridge and culvert assets in the State.

The RPM uses three standard profiles, based on typical Tasmanian road characteristics, to categorise roads in Tasmania, as well as average costs to construct and maintain these roads over their typical lifetime. This is used to calculate the state average cost per kilometre, per annum, for councils to maintain their road networks. The three road types used in the assessment are Urban Sealed, Rural Sealed and Unsealed Roads. Council bridge and culvert asset preservation requirements are accounted for through the inclusion of four bridge types and two culvert types in the asset preservation cost assessment.

Cost adjustors and allowances are applied within the RPM to account for relative cost advantages or disadvantages faced by councils in maintaining their roads. The road cost adjustors are rainfall, terrain, traffic and remoteness. An urbanisation allowance is also applied to eligible road lengths in recognised urban areas. The RPM also includes an allowance to recognise additional costs in respect of the road network on Bruny Island. The Commission does not apply any cost adjustors to its standard bridge or culvert asset preservation costs.

The RPM calculates an assessed annualised cost for each council to preserve its road network. The road grant is then distributed to councils based on their share of the total state-wide assessed annual asset preservation costs.

Grant stability

The Commission is aware of councils' preference for grant stability.

As such, in finalising the base grant allocations each year, the Commission applies a 15 per cent increase cap, and a 10 per cent decrease floor.

Caps and floors are not used in the RPM model.

Triennium reviews

The Commission monitors council practices to ensure that its methods for distributing both the base grant and road grant are contemporary and equitable. The Commission also monitors developments in local council policies, with a view to ensuring that the Commission's modelling reflects standard council policies. The annual hearings and visits process conducted by the Commission allows the Commission to monitor council practices and consult on proposed changes to its distribution methodology.

The Commission implements data updates and minor revisions to its methodology each year. However, the Commission also operates a Triennial Review Policy whereby major methodological changes are incorporated into its assessments every three years. This policy is designed to balance the conflict between grant stability and the desirability of updating the Commission's modelling to best reflect horizontal equalisation and developments in council practices.

Data sources

The Commission's models are primarily data driven, which means that significant changes in data can influence calculated grant shares. The Commission takes the accuracy and consistency of data seriously and actively seeks to increase the integrity of data used within its assessments. The Commission uses data from many sources to inform its models and decisions, including data from the Australian Bureau of Statistics, the Tasmanian Valuer-General, Tourism Research Australia, Bureau of Meteorology, various State and Australian Government departments, engineering advice and data sourced from councils, either directly, or through the Local Government Division's annual Consolidated Data Collection process.

The main datasets sourced by the Commission to inform its models, and where the data is sourced from, are detailed below.

Table 38 Tasmanian data sources

Data used	Sourced from
Population Population dispersion, workforce movements, place of usual residence, dwellings unoccupied to total dwellings as per Census night survey	Australian Bureau of Statistics (Commonwealth)
Assessed annual values data by municipality	Office of the Valuer-General (Department of Primary Industries, Parks, Water and Environment))
Domestic day tripper data Bed capacity data	Tourism Research Australia (Commonwealth) Tiger Tours (Tourism Tasmania)
Unemployment, labour force data	Department of Employment (Commonwealth)
Rainfall data	Bureau of Meteorology (Commonwealth)
General practice, airport costing data	Affected councils
Car parking operations	Local Government Division (Department of Premier and Cabinet)'s Consolidated Data Collection Returns (Tasmania)
All council revenue and expenditure, by function/expense category, grant and other financial support receipts received	Local Government Division (Department of Premier and Cabinet)'s Consolidated Data Collection Returns (Tasmania)
Road lengths and type	Local Government Division (Department of Premier and Cabinet)'s Consolidated Data Collection Returns (Tasmania)
Roads to Recovery funding	Department of Infrastructure, Transport, Regional Development, Communications and the Arts (Commonwealth)
Tasmanian Freight Survey – freight task by council road network by road type	Department of State Growth (Tasmania)
Road component construction costs, Road and Bridge Construction Index	Australian Institute of Quantity Surveyors Australian Bureau of Statistics Consultant engineers Councils

Tasmanian data sources (continued)

Data used	Sourced from
Geographic information system (GIS) rainfall and terrain data broken down by road type and road slope	Department of Primary Industries, Parks, Water and Environment (Tasmania)
Bridge and culvert asset inventory, including location, dimensions and construction type	Local Government Division (Department of Premier and Cabinet)'s Consolidated Data Collection Returns (Tasmania)

For comprehensive details on the Tasmanian State Grants Commission's methodology for determining the distribution of the 2019–20 Financial Assistance Grants (both base grants and road grants), please refer to the *State Grants Commission Financial Assistance Grant Distribution Methodology Paper*, the *State Grants Commission 2019–20 Annual Report, including 2020–21 Financial Assistance Grant Recommendations (Report #44)* and the *State Grants Commission 2019–20 Financial Assistance Grant Data Tables*, all of which are available on the Publications Page of the State Grants Commission website at <https://www.treasury.tas.gov.au/state-grants-commission/publications#AnnualReports>.

Changes to the methodology for distributing funding to local government under the Financial Assistance Grant program for 2019–20 from that used in 2018–19

2018–19 methodology (year 3 of the 2018–19 triennium)

No methodology changes were made for determining the 2019–20 Base Grant Model and Road Preservation Model distributions.

Legislative change

There were no changes made to the *State Grants Commission Act 1976* during the 2019–20 year.

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

The Local Government Division continues to monitor statutory compliance with the requirement set out under sections 70 (Long-term financial management plans) and 70B (Long-term strategic asset management plans) of the *Local Government Act 1993*.

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

Delivering a better council performance monitoring framework continues to be a priority for both the State Government and the local government sector.

Each year, the Auditor-General undertakes a financial analysis of Tasmanian local government sector entities. During 2019–20, the normal auditing cycle was disrupted with inputs from councils to the Auditor-General being considerably delayed due to the COVID-19 pandemic as well as a number of councils implementing new financial systems. It is expected previous reporting timeframes will be restored in future years.

The Auditor-General tracks and compares Tasmanian councils' financial sustainability using the following five key metrics:

- underlying surplus ratio
- road asset sustainability ratio
- road asset renewal funding ratio
- road asset consumption ratio
- net financial liabilities ratio.

The Local Government Division's Consolidated Data Collection (CDC) continues to be refined and updated each year. This enables data snapshots to be created and published on the Local Government Division website and initial investigation work has been undertaken on the development of a public facing performance dashboard.

Five snapshots are available on the Local Government Division website:

- *Net Worth and Working Capital Snapshot* (published in May 2019) – examines the financial performance indicators of net worth, working capital and working capital ratio to show change over time in and between councils within each council classification.
- *Population Trends – Tasmanian Local Government Areas 1993–2017* (published May 2019) – identifies and tracks key population trends, which are useful for informing future strategies to deal with predicted population growth or decline.
- *Rates Snapshot 2018–19* (published November 2020), *Rates Snapshot 2017–18* (published June 2019) and *Rates Snapshot 2016–17* (published July 2018) – the rates snapshots compare Tasmanian councils' rates across four indicators: average rate per rateable property; rate revenue to operating revenue; and operating costs per rateable property.

It is anticipated that in due course the public facing performance dashboard will supersede the publishing of these snapshots in future.

Reforms undertaken during 2019–20 to improve the efficiency and effectiveness of local government service delivery

Following an agreement at the Premier's Local Government Council, the Local Government Association of Tasmania (LGAT) undertook a body of work which culminated in the release on 21 May 2019 of the *21st Century Councils – Structural Reform Discussion Paper*. The paper reviewed the issues, pressures and challenges facing councils and was used to inform a member-driven engagement process to solicit feedback from Tasmania's 29 councils about potential sectoral reform. LGAT delivered significant member engagement through 'roundtable conversations' looking at local government's strengths, weaknesses, opportunities and threats. One-on-one targeted interviews with key external stakeholders were also undertaken with the LGAT in the process of analysing the results. This has already proven useful for LGAT's engagement with the Premier's Economic and Social Recovery Advisory Council (PESRAC) and provides important context for any future reform discussions with the State Government.

A number of initiatives were undertaken to support the local government sector during the COVID-19 pandemic:

- Ministerial Notices were issued to support councils achieve their statutory and operational responsibilities including allowing councils to meet and transact business by means of video or teleconference, or another agreed method.
- To support local economic activity during the COVID-19 pandemic, a number of councils fast tracked planned capital works and the State Government approved \$127.2 million in no-interest local government loans.
- The Australian Government brought forward the disbursement of its annual Financial Assistance Grants and provided an additional \$16 million in one-off funding for local infrastructure projects.

It is expected that a number of support mechanisms issued under Ministerial Notices may be adopted by the sector in the future to improve the efficiency of council processes.

On 30 April 2020, the Premier established PESRAC to provide advice to the Tasmanian Government on how to best support Tasmania's short, medium and long term recovery for COVID-19. An interim report was released in July 2020 which included the following recommendations related to local government:

- Local government should prioritise the resourcing of development applications and planning approvals to ensure that legislative timeframes are met, if not bettered (recommendation 25).
- The State Government should implement a regionally-based model for coordinating the recovery journey (recommendation 63).

The PESRAC Final Report was released in March 2021 and contains a number of structural reforms for the local government sector. Additionally, the Tasmanian Government announced in September 2021 that it will engage directly with the local government sector, local communities, and users of local government services to develop a program of agreed reforms to address the issues identified in the PESRAC report.

Initiatives undertaken and services provided to Aboriginal and Torres Strait Islander communities

During 2019–20, Tasmanian councils continued to undertake a range of activities to support local Aboriginal communities.

Tasmanian councils also support Aboriginal communities through reduced rents on the use of premises.

To support the National Agreement on Closing the Gap July 2020, it is planned to undertake a Local Government Aboriginal Audit to capture the existing work of local government to ensure alignment with the four priority reforms and existing and new key targets. This audit will inform existing and future partnerships and establish priority work aligned to Tasmania's Implementation Plan.

Local government reform activities including deregulation and legislative changes progressed in Tasmania in 2019–20

Code of Conduct framework review and amendments

A number of Code of Conduct issues arose in the first part of 2020–21 with targeted discussions occurring in the second half of 2020–21.

Review of Tasmania's local government legislative framework

Phase 2 of the review commenced with the release of a Reform Directions Paper in July 2019.

- Submissions to the Reform Directions Paper closed at the end of September 2019, following a three-month consultation process.
- Close to 800 survey responses were received, as well as 76 written submissions.
- The feedback received through submissions and face-to-face consultations was provided to the Review's Steering Committee and the Committee submitted its advice to Government in late 2019.

Phase 3 commenced with the Government announcing 48 reforms to Tasmania's local government legislative framework.

The COVID-19 pandemic emergency impacted drafting and consultation timeframes. However, the delay provided an opportunity to reflect on the pandemic response experience and consult with councils and the broader community on any COVID-19 related reforms, and any other reform areas for inclusion in the final legislative package.

Report from the Northern Territory Government

The methodology used for distributing funding under the Financial Assistance Grant program to local government for 2019–20 by the Northern Territory Grants Commission

The Northern Territory Grants Commission's methodology conforms to the requirement for horizontal equalisation as set out in section 6(3) of the Australian Government Local Government (*Financial Assistance*) Act 1995 (Cth).

The Commission in assessing relative need for allocating general purpose funding uses the balanced budget approach to horizontally equalise based on the formula:

$$\text{Assessed expenditure need} - \text{assessed revenue capacity} = \text{assessed equalisation requirement}$$

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 Commission's measure of each local government's ability to function at the average standard in accordance with the National Principles.

Population

From 2008–09 onwards, the Commission resolved to use the latest ABS estimated resident population figures and then adjust the figures to align with the population total advised to Canberra from the Northern Territory Treasury. The Northern Territory's funding is based on this total population figure. As such, the same rationale was used for the 2019–20 calculations.

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 Commission's annual returns enabled a number of revenue categories to be introduced including municipal 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, library and local roads grants are recognised in the revenue component of the methodology. In the case of recipients of the Roads to Recovery grants, 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 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 2019–20 allocations, financial data in respect of the 2017–18 financial year was used.

Expenditure needs

The assessment of standard expenditure is based on the Territory average per capita expenditure within the expenditure categories to which cost adjustors reflecting the assessed disadvantage of each local government are applied.

The Commission currently uses the nine expenditure categories in accordance with the Australian Bureau of Statistics Local Government Purpose Classifications. In the 2012–13 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 had been used in all subsequent grant processes with the exception of the 2016–17 and 2017–18 calculations where the Commission quarantined an amount totalling \$200,000 and subsequently allocated \$135,000 and \$65,000 to the Alice Springs and Katherine councils respectively.

When the general purpose grants were calculated for 2019–20, incorporating the latest estimated resident populations derived from the Australian Bureau of Statistics 2016 census, all councils with the exception of Palmerston and Litchfield experienced population decreases.

Therefore, similar to 2018–19, the Commission again implemented a 5 per cent loss assist factor into the 2019–20 methodology. The rationale for implementing the loss assist factor was that it was only applied to councils that stood to receive a loss greater than 5 per cent in grant funding.

Cost adjustors

The Commission uses cost adjustors to reflect a local government's demographics, geographical location, its 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, that the Commission used in the 2019–20 methodology.

Minimum grants

For most local governments, the assessed expenditure needs exceed the assessed revenue capacity, meaning there is an assessed need. In four 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, four local government councils still receive a grant, or what is referred to as the minimum grant.

Formula

1. Revenue component

All councils:

Assessed revenue raising capacity = Total identified local government revenue

Total local government revenue = Assessed NT average revenue plus other grant support plus budget term

Where

Revenue category = Domestic waste, garbage, Municipal rates, Regional and Shire rates, special rates parking, special rates other, fines and interest

Domestic waste = Per capita

Garbage other = Actual

Municipal council rates = Average rate

Regional and Shire rates = Per capita

Interest = Actual

State income by revenue category 2017–18 = Actual state local government gross income

Actual state local government gross income 2017–18 = \$195,863,037

Other grant support = Roads to Recovery grant 2018–19 50 per cent, library grant 2018–19 and roads grant 2018–19

Budget term = Population x per capita amount

Total local government revenue for 2019–20 allocations = \$328,806,100

2. Expenditure components

Total local government expenditure of \$328,806,100 apportioned over each expenditure component.

(a) General public services (\$115,890,289)

Community population/Northern Territory population x general public services expenditure x Aboriginality

(b) Public order and safety (\$31,906,811)

Community population/Northern Territory population x public order and safety expenditure x (location + dispersion + Aboriginality)

(c) Economic affairs (\$48,097,212)

Community population/Northern Territory population x economic affairs expenditure x (location + dispersion)

- (d) Environmental protection (\$17,762,454)
Community population/Northern Territory population x environmental protection expenditure
- (e) Housing and community amenities (\$47,388,597)
Community population/Northern Territory population x housing and community amenities expenditure x (location + dispersion + Aboriginality)
- (f) Health (\$2,431,294)
Community population/Northern Territory population x health expenditure x (location + dispersion + Aboriginality)
- (g) Recreation, culture and religion (\$52,191,081)
Community population/Northern Territory population x recreation culture and religion expenditure x (location + dispersion)
- (h) Education (\$508,326)
Community population/Northern Territory population x education expenditure x (location + dispersion + Aboriginality)
- (i) Social protection (\$12,630,036)
Community population/Northern Territory population x social protection expenditure x (location + dispersion + Aboriginality)

3. Local road grant funding

To determine the local road grant, the Commission applies a weighting to each council by road length and surface type. These weightings are shown in the following table.

Table 39 Weightings by road type in the Northern Territory

Road type	Weighting
Sealed	27.0
Gravel	12.0
Cycle path	10.0
Formed	7.0
Unformed	1.0

The general purpose location factor is also applied to recognise relative isolation.

Changes to the methodology for distributing funding to local governments under the Financial Assistance Grant program for 2019–20 from that used in 2018–19

When the general purpose grants were calculated this year using the current methodology and incorporating the latest Australian Bureau of Statistics 2016 census estimated resident population data, all councils with the exception of Palmerston and Litchfield, experienced population decreases.

The initial 2019–20 allocations resulted in six regional/shire councils and two municipal councils experiencing losses in grant outcomes even though the overall amount of funding available had increased.

The loss outcomes for the regional/shire councils of Tiwi Islands, Victoria Daly, Barkly, Belyuen, Commalie and Wagait were due to the councils being less dispersed or isolated when compared to the other regional councils. The losses experienced by the municipal councils of Katherine and Alice Springs had a direct correlation to increases in their other grant support and/or general rates revenue.

The Commission agreed the losses were excessive for some councils to absorb in the year. Therefore, to mitigate this, the Commission resolved to include a 'loss assist factor' into the 2019–20 methodology. The effect of the 'loss assist factor' is that it was only applied to councils which stood to receive a loss greater than 5 per cent of grant funding. A total of six councils benefited from the loss assist factor which totalled \$389,224. The Commission also resolved to review the applicability of this parameter for the 2020–21 funding round.

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

Four Regional Roads Committees (RRCs) were established across the Territory, facilitated by the then Department of Local Government, Housing and Community Development (the Department) and include the Department of Infrastructure, Planning and Logistics, regional councils, municipal councils and the Local Government Association of the Northern Territory (LGANT).

In 2019–20, the RRCs worked at a regional level to help local and Northern Territory governments better meet local road and access needs by coordinating information and resources. These committees have shared technical expertise and started joint planning of road network repairs and road safety initiatives. A priority for all committees is the spatial mapping of roads and improving road planning and management between the Northern Territory Government and local governments, which enhances collaboration and sharing of resources.

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

In 2014–15, a Model Financial Statements Working Group was established, comprising members from LGANT, the Department and council staff, to develop an annual financial reporting framework for the Northern Territory's local government sector. In 2015–16, the use of sector-wide model financial statements was agreed and made available for all local government councils by LGANT.

LGANT circulated the endorsed sector-wide model financial statements to all councils to assist with preparing their annual financial statements. Most councils in the Northern Territory used this template as the basis for reporting their 2019–20 annual financial statements.

In early 2020, the Department commenced the development of the Local Government 2030 Strategy in partnership with the Local Government Association of the Northern Territory (LGANT) and the Northern Territory's 17 councils. The key focus of the 2030 strategy is to collaborate in the sector with the following priorities:

- What would a strong, responsive, well-governed and more independent third sphere of government look like in the Northern Territory?
- Where should it be in 10 years if it were successfully moving on the path to that goal?
- What is needed from the local government sector itself, the Northern Territory and Australian Governments and others to move from the current state to that vision?

A Steering Group, with representatives from councils, is overseeing the development of the Strategy, including broad consultation and engagement.

Reforms undertaken during 2019–20 to improve efficiency and effectiveness of local government service delivery

In response to the COVID-19 pandemic, the Northern Territory Government introduced a range of initiatives to support local government councils to ensure they continue to deliver essential council services whilst operating under restrictions imposed by National Cabinet. One such initiative in 2019–20 was the closure of the application based 'Strategic Local Government Infrastructure Fund' (SIF) that was established in 2017–18 to create a new grant program.

This new one-off 2019–20 grant, titled the 'Special Community Assistance and Local Employment' (SCALE) program, was aimed at ensuring business continuity for councils by providing immediate funding to:

- assist councils with employment and operating costs
- support community-based COVID-19 initiatives and COVID-19 related compliance and management costs.

Projects undertaken by councils under this program included: various forms of COVID-19-safe messaging; increased sanitisation; upgrades to council facilities such as libraries, toilets, playgrounds and landscaping projects; and support for local businesses. All of these have supported local jobs, communities and local economies.

Initiatives undertaken and services provided by local government to Aboriginal and Torres Strait Islanders

In 2014, local authorities were established in 63 remote communities across the Northern Territory. A further 3 local authorities were approved in 2017–18 and another was approved in 2018–19. The primary role of local authorities was to offer community members living in regional and remote communities a stronger local voice and input on service delivery outcomes for their respective communities. One of the functions of local authorities is to determine local projects that reflect the needs and priorities of the local community.

In 2019–20, the Minister for Local Government, Housing and Community Development approved the establishment of a new local authority for Robinson River.

During the year, grant funding of \$5.472 million was allocated across the nine regional councils to assist with funding priority projects as identified by their respective local authorities.

In 2019–20, grant funding totalling \$7.9 million under the Indigenous Jobs Development Fund was allocated to nine regional councils and one shire council to assist with subsidising 50 per cent of the cost of employing Aboriginal staff within their respective council. The grant provides councils with financial assistance for salaries and approved on-costs for Aboriginal employees delivering local government services. Around 500 positions are supported through this program.

During 2019–20, Department officers in the Community Development team worked with all regional councils to support effective regulation and governance, and the development of targeted plans within each region for governance capability development ahead of the commencement of the new *Local Government Act 2019*. The team also supported services and agencies in their engagement with communities and works with councils and local authorities to build leadership, strengthen governance and facilitate local decision making.

Local government reform activities including deregulation and legislative changes

A major focus of the Department this financial year was the development of and consultation on the new *Local Government Act 2019* and new *Local Government Regulations* to replace the *Local Government Act 2008* and current *Local Government Regulations*.

On 28 November 2019, the Legislative Assembly of the Northern Territory passed the *Local Government Act 2019*. The legislation is a contemporary governance framework that aims to streamline and modernise local government rules and processes, such as members' allowances, code of conduct, eligibility for office, meeting procedures and financial transparency, and improve local decision making.

In addition to the drafting of new *Regulations* and *Guidelines* following feedback received from councils, the Department is also drafting sample policies, registers and forms to assist councils to transition to the requirements of the new legislation and is collaborating with LGANT in developing training resources for and other material that will assist elected members and council staff with understanding and implementing the new legislation.

Legislative reforms were due to commence on 1 July 2020 but, due to the COVID-19 pandemic, the rollout was postponed to 1 July 2021.

Report from the Local Government Association of the Northern Territory (LGANT)

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

The new *Local Government Act 2019* (enacted 1 July 2021) makes reference to the requirement for, and content of, municipal plans and long-term financial plans that must relate to a period of least four years. In 2019–20, associated regulations and guidelines were being drafted to assist and direct councils.

LGANT continues to convene the bi-annual Finance Reference Group meetings which are issue based discussion and, during the COVID-19 pandemic, have been conducted via teleconference. The agenda cover a range of topics, considered key to councils' understanding and service delivery. One of those topics was asset management plans. As infrastructure in the Northern Territory is reaching its expiry date, it has become increasingly important to our members to plan properly for their maintenance and replacement.

Local government councils are struggling to recruit and retain professionals which is impacting the rigor and consistency of information being provided to elected members through the long-term asset management and financial plans. This issue was identified in the *Current and Future Skill Needs of Local Government in the Northern Territory Report 2018*.

Actions to develop and implement comparative performance measures between local government

Through the whole pandemic, the local government sector shared information and innovative platforms to support local businesses COVID-19 stimulus vouchers, with the City of Darwin taking the lead with four municipal councils taking up the initiative and technology developed. LGANT facilitated five Reference Groups:

- Finance Reference Group
- Governance and Human Resources Reference Group
- Environment, Transport, and Infrastructure Reference Group
- Community Services Reference Group
- Chief Executive Officers.

These Groups provided forums for member council officers to share individual learnings and strategies in improvements in council operations and governance.

Reforms undertaken to improve the efficiency and effectiveness of local government service delivery

The NT Government and health authorities were prepared for a potential coronavirus pandemic spreading to the Territory. LGANT has represented local government interests on the COVID-19 Regional and Remote Taskforce (the Taskforce) which has met weekly since early March 2020.

The Taskforce is jointly chaired by the Department of the Chief Minister and the Aboriginal Medical Services Alliance NT. There are representatives from Department of Health, Police and other government agencies, Aboriginal health organisations, Land Councils, and frontline service providers.

The COVID-19 pandemic has necessitated the local government sector working together to ensure the protection of businesses and health of the community by:

- fast-tracking infrastructure projects
- keeping all staff employed (redeployment, working from home)
- implementing initiatives such as free parking, free entrance to pools, after hours school support programs
- providing rate and fee concessions and other hardship assistance.

LGANT and local government worked in collaboration with the NT Government to secure financial support measures of \$13.1 million. This program provided immediate funding for council employment and operating costs; supported job creation and maintenance opportunities in communities; provided targeted rates relief for commercial ratepayers experiencing hardship; and assisted with COVID-19-related compliance and management costs.

The local government sector is developing a 'Local Government 2030 Strategy'. A LG2030 Steering Group has been formed to guide the process of preparing the Strategy. The Strategy will set forth how we work together as a sector to move from where we are to where we can and need to be for a sustainable future. The initial focus is on developing a shared vision, identifying the stakeholders to engage with as part of developing the strategic plan, and determining the future to ensure councils are leading change to improve the sustainability, livability, and wellbeing of our communities. These changes mean that we have an opportunity to tell the local government story and create our own new normal.

LGANT continues to collaborate with the Independent Commission Against Corruption (ICAC) and facilitated forums and information sessions with all councils. Councils learnt about the powers and functions of ICAC as well as the obligations councils now have under legislation.

LGANT is required under its constitution to provide industrial relations services to its members. It contracted the Western Australian Local Government Association (WALGA) Workplace Solutions to do much of this work which included amongst other things:

- disciplinary processes
- industrial claims
- terminations/resignations/negotiated exits
- contracts of employment
- other human resource and industrial relations advice
- representing councils in the Fair Work Commission.

LGANT conducted a Waste Management Forum in Darwin on 3 December 2019 which included participants from 10 councils who actively shared outcomes and lessons in the development of waste and litter management plans, waste emergency procedures and operational procedures.

Other topics addressed at the Forum were:

- illegal dumping of construction and demolition waste
- Remote Landfills Project – the licensing implications for remote landfills and how to apply for an Environmental Licence (NT EPA)
- panel discussions on product stewardship programs (mobile phones, batteries, tyres, e-waste and container deposit schemes).

LGANT also facilitated a Procurement Symposium that offered both accredited and non-accredited training offerings plus presentations on the following topics:

- ICAC
- Local Buy
- vendor panel procurement platforms
- new procurement guidelines and regulations in the new *Local Government Act 2019*.

The Procurement Symposium included the participation of 33 individuals from 10 local government councils.

Initiatives undertaken and service provided by local government to Aboriginal and Torres Strait Islander communities

Most Aboriginal communities are located within Regional Council (RC) areas. In addition to the services offered by all local governments to communities in the NT, Regional Councils provide a range of additional community services and programs to remote communities. This is enabled either through contractual arrangements with NT and Commonwealth agencies for service provision or community program funding obtained through Commonwealth and NT funding programs.

RC councils have contracts with NT and Commonwealth agencies to provide key services in remote communities. This includes postal services (Australia Post), Centrelink agent services (Commonwealth Department of Human Services) and the upkeep of power, water, and sewerage infrastructure (NT Power and Water Corporation).

In some Regional Council areas, councils were contracted by the NT Government to deliver services to occupied outstations or homelands. Services include municipal and essential services, housing maintenance services and special purpose infrastructure projects. This includes waste collection, roads maintenance, animal management, fire breaks and environmental activities.

Grant monies, from Commonwealth and NT Government funding programs, enable RCs to offer remote communities a range of local community programming, including:

- aged and disability services (for example, personal care, meals, transport, domestic assistance, and social activities) that allow people to stay in their community
- school nutrition programs that not only promote health but school attendance and positive educational outcomes
- early learning programs for children
- community safety programs
- remote youth sports programming
- youth diversion programming.

The above activities are also important sources of local Aboriginal employment in these regions.

The *Current and Future Skill Needs of Local Government in the Northern Territory Report 2018* data showed a much higher representation of Aboriginal and Torres Strait Islander employees (38 per cent) than other sectors of government and the private sector in the Northern Territory.

The regional and shire councils are the largest employer of Aboriginal people in regional and remote areas with between 60–80 per cent of the workforce made up of Aboriginal people. These councils receive in excess of 90 per cent of their revenues from government grants.

Report from the Australian Capital Territory (ACT) Government

The ACT Government administers the Australian Capital Territory as a city-state jurisdiction, unique within the Australian Federation. As a result, there is little or no differentiation in ACT Government service provision between 'state-like' and 'local-like' functions. This is demonstrated by the ACT Government's engagement with local government through membership of the Canberra Region Joint Organisation (CRJO) and the Council of Capital City Lord Mayors (CCCLM), as well as engagement with other jurisdictions through the Council of Australian Governments (COAG).

The ACT Government is increasingly focused on enhancing Canberra's role as the regional centre for south east NSW and the relationships that exist across the Canberra Region. The ACT Government works closely with the NSW Government and local NSW governments in the Canberra Region to address matters of common interest. The ACT Government also seeks 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 the ACT Government in 2019–20

In 2019–20, the ACT Government's Infrastructure Planning and Advisory Committee (IPAC), comprising Directors-General and Chief Executive Officers across the ACT Government, continued to play a key role in providing coordinated advice to the ACT Government on land, transport planning, municipal services and other service infrastructure. The committee also continued to work on a coordinated long-term strategy for Canberra's infrastructure for government consideration.

The ACT Government Infrastructure Plan

In October 2019, the ACT released a refreshed *Infrastructure Plan*.

The refreshed Infrastructure Plan outlines the following strategic infrastructure objectives:

- implementing strategic asset management and service planning across government agencies
- exploring strategic opportunities across all agencies to support innovation and quality infrastructure design
- climate change vulnerability assessments for ACT Government infrastructure
- strengthening strategic infrastructure planning
- continuous improvement of the planning and delivery of new infrastructure investment in the Territory.

The ACT Government publishes annual updates to the *Infrastructure Plan* to inform business and the community of the current projects being undertaken through its Capital Works Program, while outlining works the Government is considering for future budget processes.

The Capital Framework

During 2019–20, the ACT 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.

The ACT Government started preparing for a detailed review of the *Capital Framework*, which commenced in December 2019. The first stage involved extensive consultations with users and a desktop comparison with similar guidance in NSW, Victoria, New Zealand and the UK. It resulted in a set of recommendations for improvements. The second stage developed further these recommendations. The third stage commenced in June 2020 and involves developing updated guidance material based on these recommendations.

The Partnership Framework

The ACT Government has implemented the *Partnerships Framework*, which established the policy for:

- delivery of major infrastructure projects under models including Design, Construct, Maintain, Operate (DCMO) and Public Private Partnership (PPP)
- evaluation of unsolicited proposals under a structured framework.

The *Partnerships Framework* continues to provide guidance on the procurement of major, complex infrastructure projects, including potential future PPPs, and the assessment of unsolicited proposals.

Strategic Asset Management Plans

The ACT Government also supports a Strategic Asset Management (SAM) program, providing financial assistance for agencies to establish SAM Plans for management of the Territory's assets. This program fosters better practice to increase the ACT's economic capacity, reduces future costs, grows the city in a way that meets the changing needs of the ACT demographic and maintains current infrastructure.

Transport Canberra and City Services (TCCS) infrastructure assets

TCCS delivered a wide range of services to the ACT community on behalf of the ACT Government. Much of this relied on the planning, development, and management of a significant and diverse range of assets that were valued in 2019–20 at \$10.2 billion.

The largest asset category was infrastructure assets including roads, bridges, stormwater, streetlights, community paths, community sporting facilities, traffic signals, waste, and recycling assets. Other assets in the TCCS portfolio included public libraries, public transport, urban open space, and property assets.

During the reporting period, TCCS reassessed the value of assets in accordance with the ACT Accounting Policy, resulting in an increase in the asset value of \$58.1 million.

The strategic asset management framework (SAMF) encompasses a set of documents, systems and processes that enabled TCCS to meet its asset management responsibilities whilst also efficiently meeting the requirements of the community.

The SAMF allowed TCCS to sustainably manage assets through 'whole of life' and 'whole of organisation' approaches. Effective identification and management of risks associated with the use of these assets was also enhanced. The SAMF also enabled the development of policies, strategies and plans to be informed, and to inform the community of government aspirations, service level requirements and investment decisions.

In 2019–20, work has been undertaken to migrate to a new Asset Management Information System. The new system will be implemented to improve consistency and approach to asset management in order to provide a feedback loop to the public.

ACT Government actions to develop and implement comparative performance measures between local governing bodies in 2019–20

The ACT Government does not currently undertake comparative performance measures with other local governments. However, the ACT Government does participate in the *Productivity Commission's Annual Report on Government Services* (the Report). The purpose of this report is to provide information on the equity, efficiency and effectiveness of Government Services in Australia.

The Report outlines ACT performance relative to other state and territory jurisdictions on key Government Services including: Education, Health, Community Services, Justice Services, Emergency Management and Housing and Homelessness.

ACT Government reforms undertaken to improve the efficiency and effectiveness of service delivery in 2019–20

Access Canberra

Access Canberra combines the territory's shopfronts, contact centre and online services within a single organisation to provide the people of Canberra with a highly effective services hub. It is a one-stop shop for ACT Government customer and regulatory services and provides an easy, streamlined method to access government information and undertake transactions with the ACT Government.

Access Canberra is committed to delivering excellent, integrated services for ACT businesses, community groups and individuals seeking service, support, protection, and advice from the ACT Government on a range of matters including:

- building, utilities, land, and lease regulation
- electricity, natural gas, water, sewerage, and industry technical regulation
- environmental protection and water regulation
- fair trading and registration, inspection, and regulatory services
- occupational licensing
- public health protection and regulation for food permits
- racing and gambling legislation
- road safety regulation, and driver and vehicle licensing.

In 2019–20, Access Canberra supported the ACT community during the bushfires and smoke haze events, hailstorm event and the ongoing COVID-19 public health emergency by providing flexible, digital-first solutions to delivering services on behalf of the ACT Government. We rapidly expanded online services in response to COVID-19, administered registration rebates for owners of vehicles affected by the January hailstorm event and provided free replacement of identity documents lost during the summer bushfires.

We modified our service delivery approach to ensure the ACT community still had access to essential services during the COVID-19 public health emergency and associated restrictions. On 8 April 2020, we commenced operations of the COVID-19 Helpline to support the government's response to COVID-19 and provide timely advice to citizens.

In 2019–20, Access Canberra:

- completed 438,000 transactions through our Service Centres, answered 483,541 customer calls through our Contact Centre and managed 13,771 web chats. We handled an additional 26,938 calls through our Building Services Centre
- processed rebates for over 2,200 Canberrans under the Hail Rebate Scheme to a total value of over \$400,000 from the catastrophic January 2020 hailstorm event that damaged over 37,000 vehicles
- handled over 12,000 calls to the COVID-19 Helpline to assist the community through the challenges of COVID-19
- handled over 1,400 calls on the Access Canberra Business Liaison Line, established for businesses seeking advice and engagement on available stimulus funding, as well as being available for general questions and advice for businesses
- conducted educational inspections of over 3,900 visits of businesses subject to Public Health Directions issued in response to COVID-19
- assisted event organisers in obtaining approvals for 189 events of varying scale and provided pathway solutions to 33 business enquires.

In 2019–20, Access Canberra implemented the following reforms to improve the efficiency and effectiveness of service delivery:

- We established a dedicated Hail Team to streamline vehicle transactions and provide rebates to Canberrans affected by the January 2020 hailstorm event. The Hail Team:
 - developed online registration cancellation and rebate application forms
 - simplified re-registration and renewal processes for vehicles economically written-off by hailstorm (getting the community back on the road faster, while maintaining vehicle safety standards)
 - facilitated amendments to legislation, allowing brand new and interstate economically written-off vehicles to be registered in the ACT without first requiring inspection and re-registration interstate. This amendment saved the community time and effort during the early stages of COVID-19.
- We seamlessly delivered several elements of direct financial stimulus to the hospitality industry during the bushfire smoke event and COVID-19, including:
 - providing a mechanism for 'on' liquor licensees to obtain commercial liquor permits allowing continued trading activity while their venues were effectively closed to regular trade under Public Health Directions
 - facilitating access to waivers of liquor licence and outdoor dining permit fees to provide further financial support to businesses suffering financial hardship due to COVID-19
 - implementing a 12-month fee waiver for liquor licensees and outdoor dining permit holders to further offset the impact of reduced ability to trade because of Public Health Directions.
- We responded to COVID-19's impact on the ACT Taxi industry by facilitating 149 stimulus payments of \$5,000 to taxi operators who were responsible for paying annual taxi plate fees.

- Through the Registrar-General, we supported associations affected by COVID-19 restrictions, by:
 - granting an extension to 30 October 2020 for incorporated associations to hold their Annual General Meeting
 - supporting amendments to the Associations Incorporation Act 1991 allowing authorisation of general meetings to be held via methods of communication other than in person.
- We engaged with stakeholders prior to commencement of the *Controlled Sports Act 2019* (the Act) in October 2019. We supported the health and safety of controlled sports contestants, and upheld the integrity of controlled sports contests and events, by establishing a Controlled Sports Registrar and conducting inspections of controlled sports events in accordance with the Act, resulting in high levels of compliance.
- We operationalised amendments to the Road Transport legislation to support the commencement of the Graduated Licensing Scheme on 1 January 2020, including new requirements for Learner drivers and introducing P1 and P2 Provisional licence classes.
- We supported the tabling of legislation on 1 June 2020 to introduce e-conveyancing, verification of identity requirements, auditing and compliance provisions, and paperless titles.
- We delivered Stage 2 of a new Land Titles Information System (ACTLIS) for the processing and capturing of data on the Land Titles Register for Land Titles Dealings.

Access Canberra continues to support the ACT economy's recovery from the impact of the summer bushfires, January hailstorm and the ongoing COVID-19 emergency, by reducing red tape and working closely with industry, particularly hospitality, gaming, building and construction, and the events sector. We will encourage recovery and growth post COVID-19 through the provision of efficient government services, and continuing to reduce regulatory burden to business recovery.

Skills Canberra

The ACT and NSW Governments operate a Memorandum of Understanding to enable mutual recognition of the registration process for group training organisations (GTOs). This arrangement reduces administration and costs for GTOs operating in both ACT and NSW.

The *Territory Migration Agreement* with the Commonwealth provides the ACT Government with the flexibility to shape economic, social and migration outcomes through the state/territory nominated stream of the Australian Migration Program. Under this stream, the ACT can attract and retain appropriate and sustainable levels of skilled and business migrants to contribute to Canberra's economy and society, and to support strategic industry growth in the region.

On 16 November 2019, the ACT was defined as regional for migration purposes and gained access to nominate the following regional visas:

- Skilled Work Regional (Provisional) Subclass 491 Visa (five years)
- Skilled Employer-Sponsored Regional (Provisional) Subclass 494 Visa (five years).

Access to the Skilled Regional visa program has a major positive impact on the ACT's ability to attract skilled migrants to move to Canberra to address skills shortages within the ACT economy. It is anticipated that the requirement under the provisional subclass 491 stream to live and work in Regional Australia for at least three years, together with Canberra's attractive regional area offering of good lifestyle and employment prospects, may encourage nominated 491 visa holders to stay long-term in the region.

Justice and Community Safety Directorate

The Justice and Community Safety Directorate (JACS) seeks to maintain a fair, safe and peaceful community in the ACT where people's rights and interests are respected and protected. This is achieved through maintaining the rule of law throughout the Territory, promoting the protection of human rights in the community, providing effective offender management and opportunities for rehabilitation, and protecting and preserving life, property and the environment by providing an effective and cohesive emergency response service.

COVID-19 response

In 2019–20, the JACS Directorate led the ACT Government's legislative response to the COVID-19 public health emergency by coordinating and implementing the delivery of legislative changes and other necessary measures.

The Assembly passed three key pieces of legislation, containing measures to support the Government's COVID-19 response:

- the COVID-19 Emergency Response Act 2020
- the COVID-19 Emergency Response Legislation Amendment Act 2020
- the COVID-19 Emergency Response Legislation Amendment Act 2020 (No 2).

JACS also worked closely with other directorates to develop necessary delegated legislation, including to support renters affected by the impacts of the COVID-19 public health emergency.

Facilitating Government responsiveness to the COVID-19 pandemic

JACS developed the COVID-19 Emergency Response Act 2020, which included provisions that inserted a COVID-19 Emergency response declaration making power into the Residential Tenancies Act 1997 and the Leases (Commercial and Retail) Act 2001.

This head of power allowed the ACT Government to respond quickly and flexibly to the COVID-19 public health emergency and to make amendments to the operation of these Acts to sustain commercial and residential tenancies during the pandemic and to support social distancing measures.

The preparation of this legislation involved rapid and extensive internal and cross Directorate collaboration to support the ACT Government response to the public health emergency.

Ensuring a COVID-safe ACT election

JACS developed the COVID-19 Emergency Response Legislation Amendment Act 2020 (No 2) which introduced temporary legislative amendments to the Electoral Act 1992 to:

- expand early voting for the October 2020 ACT Legislative Assembly election as recommended by the Electoral Commission in its special report tabled on 4 June 2020 entitled *Impact of the COVID-19 Pandemic on the 2020 ACT Legislative Assembly Election*
- introduce a legislative framework to implement a limited overseas electronic voting option
- introduce a legislative framework to implement telephone voting for electors who are vision-impaired or who have a physical disability.

These temporary amendments were progressed to ensure that the October 2020 ACT election could be conducted in a safe manner, and to facilitate the participation of eligible ACT electors in the election process during the COVID-19 public health emergency.

Supporting residents of retirement villages

JACS developed temporary operational measures incorporated in the *COVID-19 Emergency Response Legislation Amendment Act 2020* to allow the Government to respond and adapt to the impacts of the COVID-19 public health emergency on retirement villages, their residents and operators.

Amendments were made to the *Retirement Villages Act 2012* to temporarily allow residents of retirement villages to participate in meetings to discuss matters and vote via a range of communication methods such as in writing, by phone or with the use of the internet. The amendments also clarify that residents can use a combination of these communication methods if preferred.

The amendments provide options to retirement village operators about whether to postpone annual management meetings or delay providing proposed annual budgets for the 2020–21 financial year during the COVID-19 public health emergency.

The amendments further support the ability of retirement village residents to be able to vote during the COVID-19 public health emergency by providing that there will be no limit on the number of residents a person can act as proxy for. However, a limit may be specified via a retirement village's village rules.

Supporting COVID-safe proceedings for incorporated associations

JACS led the development of amendments to the *Associations Incorporation Act 1991* to support operational changes made necessary by the COVID-19 public health emergency.

The *COVID-19 Emergency Response Legislation Amendment Act 2020* included amendments which allow incorporated associations to hold general meetings (including annual general meetings) via alternative methods of communication, and to vote by proxy, when the associations' own constitutions did not already permit this to occur.

Legislative amendments in the same Act also give the Registrar-General a discretion to provide extensions for incorporated associations in relation to when annual general meetings must be held without the need for individual incorporated associations to submit written applications.

Supporting COVID-19 impacted households

JACS supported the Government to effect the early commencement of provisions, of the *Residential Tenancies Amendment Act 2020 (No 1)*, to support COVID-19 impacted households with cost of living pressures, including:

- the ability to terminate a fixed term tenancy early and without penalty in order to accept a place in an aged care facility or in social housing
- a reduction in the amount of rent that a landlord can require a tenant to pay in advance from one month to two weeks
- a provision which clarified that any amendments to the standard terms would apply to periodic tenancies immediately and to fixed term tenancies after the expiry of their fixed term. This provision also clarified that any amendments to the *Residential Tenancies Act 1997* (aside from amendments to the standard terms) would apply to all tenancies as soon as the amendments are in force.

Additionally, the Residential Tenancies (COVID-19 Emergency Response) Declaration (No 1) was developed and commenced. This declaration:

- implemented a moratorium on evictions from residential tenancies for non-payment of rent for COVID-19 impacted households
- facilitated temporary rent reductions
- imposed a rental increase freeze for COVID-19 impacted households
- restricted negative listings being made about COVID-19 impacted persons on tenancy databases
- relaxed the time period for non-urgent repairs for all households
- placed restrictions on the way certain inspections should be performed in relation to all tenancies.

JACS negotiated the ACT Government's contract with the Conflict Resolution Service Inc. to deliver a mediation service for landlords and tenants to facilitate the negotiation of rent reductions for impacted households and to resolve other residential tenancy disputes arising out of, or related to, the COVID-19 public health emergency.

In addition to the above, JACS produced education materials and web updates, responded to media enquiries and provided input into ACT Government responses to the COVID-19 Select Committee, to support community knowledge in relation to the changes to residential tenancy laws during the COVID-19 public health emergency.

Protecting vulnerable people in the context of COVID-19

As part of the *COVID-19 Emergency Response Legislation Amendment Act 2020*, JACS developed amendments to the *Human Rights Commission Act 2005* to provide an accessible pathway for vulnerable older people or people with a disability, and their advocates, to seek the assistance of the ACT Human Rights Commission (HRC) in seeking to address situations of abuse, neglect and exploitation, including abuse by family members.

Expanding the functions of the HRC to deal with complaints about abuse, neglect or exploitation of vulnerable people constitutes an additional measure to protect vulnerable people from inhumane and degrading treatment. In dealing with a vulnerable person complaint, the HRC may investigate and seek relevant information and may conduct conciliation to seek to resolve concerns. More serious cases of abuse may be referred to the ACT Director of Public Prosecutions and ACT Policing.

During the reporting period JACS also developed amendments to the *Powers of Attorney Act 2006* included in the *COVID-19 Emergency Response Legislation Amendment Act 2020*. These amendments require attorneys to keep appropriate records and accounts of transactions carried out by the attorney under an enduring power of attorney, even where a principal still has capacity. This is important as a principal may have capacity to make their own decisions but may still be dependent on an attorney to assist them with their affairs, and may be vulnerable to financial abuse and exploitation if records are not maintained.

These powers were introduced as part of the COVID-19 response to address the heightened risk of abuse of vulnerable people during this period, but will be reviewed before expiry to allow consideration of continuing these measures in the longer term, if demonstrated to be effective in addressing elder abuse.

Support for clubs and hotels

Gaming machine licensees were significantly impacted by COVID-19 during the last quarter of 2019–20, with clubs and hotels required to close for some time. JACS engaged extensively with clubs and peak bodies during this time and developed and implemented a range of support measures under the Government's COVID-19 Economic Survival Package. Information on these measures is outlined below.

In June 2020, the COVID-19 Economic Survival Package – Gaming Machine Authorisation Surrender Incentive offered gaming machine licensees at clubs or hotels a payment of \$15,000, to be used towards employment of staff, for every gaming machine authorisation surrendered to the Government. By 30 June 2020, clubs had notified their intention to surrender 109 authorisations in exchange for incentive payments totalling \$1.635 million. The surrender of these authorisations, which took effect by 14 July 2020, brought the cap on the number of authorisations in the ACT down to 3,888.

Amendments to the community contributions scheme under the *COVID-19 Emergency Response Act 2020* and the *COVID-19 Emergency Response Legislation Amendment Act 2020* allow clubs to claim contributions made for the purpose of 'providing relief or assistance to the community in relation to a COVID-19 public health emergency'. Amendments also allow the Attorney-General to declare certain payments to be emergency community purpose contributions for an identified time during and after a COVID-19 public health emergency, and provide that clubs will be able to claim \$2 for every \$1 the club contributes to charitable support by preparing or providing food for emergency-affected people.

In June 2020, the Attorney-General made the Gaming Machine (Emergency Community Purpose Contribution – Club Employees) Declaration 2020 [DI2020-139], allowing clubs to claim staff wages as community purpose contributions, provided the amount meets or exceeds the relevant minimum wage under the Registered and Licensed Clubs Award 2010. This measure extended until 23 March 2021 to provide support to clubs and their workers during the emergency period and into the recovery phase.

Additionally, JACS managed the distribution of emergency relief funding from the Diversification and Sustainability Support Fund (DSSF) of approximately \$3.3 million, to give effect to the DSSF Board's recommendation, agreed by the Attorney-General, that this funding be provided to clubs to keep club staff employed or provide other income support to club staff, as part of the Government's COVID-19 support measures. Club payments to the Fund have been suspended for a 12-month period from March 2020, as a further COVID-19 support measure.

Project Agreement for COVID-19 Legal Assistance Funding

On 28 May 2020, the Attorney-General signed the Project Agreement for COVID-19 Funding (the Project Agreement) to the legal assistance sector to help the sector support people who have been impacted by the COVID-19 public health emergency.

Through the Project Agreement, the ACT will receive \$1.391 million from the Commonwealth which will directly support the sector to provide increased frontline services in response to COVID-19 and to have the Information and Communications Technology capacity to support virtual service delivery. In accordance with the Project Agreement, funding will be provided to Legal Aid ACT, community legal centres and the Aboriginal Legal Service NSW/ACT. A minimum of 40 per cent of the funding for frontline services will also be directed towards responding to family violence.

Throughout this process, JACS managed negotiations with the Commonwealth Government on behalf of the Territory to enable the finalisation of the Project Agreement. JACS also facilitated consultation with the ACT's legal assistance sector to identify areas of legal need that had arisen as a result of the COVID-19 public health emergency, to support the Attorney-General's determination of funding allocations for the legal assistance sector.

Development of electoral legislation (Electoral Legislation Amendment Bill 2019)

The Electoral Legislation Amendment Bill 2019, which was introduced to the Legislative Assembly on 26 September 2019, addressed a number of outstanding recommendations of the Select Committee on the 2016 ACT Election and Electoral Act.

The Bill amended the *Electoral Act 1992* to:

- allow voters not on the ACT electoral roll to enrol up to and including election day
- ensure consistency in measuring a defined polling area
- ensure the full names of a person and an entity are shown in an authorisation statement
- correct an anomaly to ensure appropriate privacy protections are afforded to individuals providing gifts to political entities
- make a technical amendment to section 292 of the Act (about dissemination of unauthorised electoral material) to ensure consistency of terminology.

The Bill also made amendments to the *Public Unleased Land Act 2013* to allow an authorised person to immediately remove electoral advertising signs from public unleased land, where the signs are not compliant with statutory requirements, without providing prior notice to the owner of the sign.

Freedom of information reforms (Freedom of Information Amendment Act 2019)

The Freedom of Information Act Amendment Bill 2019 was passed by the Legislative Assembly on 26 September 2019. The Act introduced a range of amendments to the *Freedom of Information Act 2016* to streamline processing of freedom of information access requests. These amendments were designed to ensure greater efficiency in the processing of requests to ensure the long-term sustainability of the scheme and to focus resources on achieving practical outcomes for applicants.

Fair work and work safety reforms (Courts (Fair Work and Work Safety) Legislation Amendment Act 2019)

The Courts (Fair Work and Work Safety) Legislation Amendment Bill 2019 was introduced on 22 August 2019 and passed on 24 September 2019.

It introduced measures to support workers and employers to resolve fair work disputes in the ACT Magistrates Court. The Act clarifies that there is no monetary limit on the Magistrates Court's jurisdiction under the *Fair Work Act 2009* and confers jurisdiction for fair work matters on the Industrial Court within the Magistrates Court. It also introduced compulsory mediation for fair work claims and inserted an objects provision in the *Magistrates Court Act 1930* to support the general principle that the Industrial Court is to resolve fair work claims in a timely, inexpensive and informal manner.

The Act also introduced changes to confer on officials of industrial associations the right to represent parties in respect of 'small claims', with the leave of the Court, and allows the ACT Civil and Administrative Tribunal (ACAT) to refer matters involving fair work claims to

the Magistrates Court. There is also a separate measure related to work safety, which aims to ensure that corporations can be tried in the Supreme Court for industrial manslaughter or other serious reckless conduct under section 31 of the *Work Health and Safety Act 2011*.

Supporting equality through amendments to births, deaths and marriages legislation

The Births, Deaths and Marriages Registration Amendment Bill 2020 was passed by the Legislative Assembly in August 2020. The Bill created accessible pathways for transgender, intersex or gender diverse young people to change their given names and/or registered sex, in situations where they do not have the support of both parents. The Bill:

- provided a range of safeguards around the new processes to ensure that young people have the capacity to understand the nature of their decisions
- introduced provisions to allow people who were adopted to request an integrated birth certificate which shows the details of both and adoptive parents
- promoted a range of human rights including the right to equality and non-discrimination, the right of a child to protection and the right to privacy.

Consumer protection legislative reforms

An omnibus Bill, across various pieces of legislation within the Justice portfolio, made a range of minor/technical and substantive policy changes to legislation, including to address consumer protection. Some of the key relevant changes included:

- Amendments to the *Agents Act 2003* introduced an additional 'fit and proper' test to allow the Commissioner for Fair Trading (the Commissioner) to consider a range of suitability matters when determining a person's eligibility to hold a licence or registration as a real estate agent or salesperson.
- Amendments to the *Fair Trading (Australian Consumer Law) Act 1992* allowed the Commissioner to hold binding conciliations for consumer disputes relating to claims of no more than \$5,000. This measure aimed to strengthen enforcement remedies to rectify harm caused by unlawful conduct and deter offending conduct by individual businesses and within industries.

Residential tenancies legislative reforms

Legislative amendments passed in February 2020 gave effect to legislative recommendations from the 2016 review of the *Residential Tenancies Act 1997*, and:

- increased notice periods for a landlord to terminate a tenancy on particular grounds
- created a head of power for the introduction of minimum standards for existing and new rental properties
- created a right for a tenant to terminate a fixed term lease early in order to move into social housing or an aged care facility
- reduced the burden of the sale of a rental property on its tenants
- reduced the maximum rent payable in advance to two weeks
- included cooling in the list of urgent repairs
- clarified and strengthened the ACT Civil and Administrative Tribunal's powers to resolve residential tenancy disputes
- introduced other minor and technical changes.

Further amendments, introduced in February 2020, addressed outstanding matters from the 2016 Review and:

- improved protections for occupants by introducing new occupancy principles and by making the occupancy principles a mandatory part of every occupancy agreement
- clarified the difference between an occupancy agreement and a residential tenancy agreement
- clarified the application of the occupancy framework to people who reside in residential parks
- modernised the legal framework for share housing
- introduced other minor and technical changes.

Legislative reforms addressing vulnerable persons, witnesses and child protection

The Evidence (Miscellaneous Provisions) Amendment Bill 2019 was passed by the Legislative Assembly on 24 October 2019.

The Act established the legislative framework for the use of intermediaries and ground rules hearings in criminal proceedings. In doing so, it implemented recommendations made by the Royal Commission into Institutional Responses to Child Sexual Abuse, as well as improving access to justice for vulnerable witnesses more broadly.

An intermediary is an independent communication specialist whose role is to assist a person with communication difficulties to communicate their best evidence to police and to the Court.

While the Act was primarily intended to improve the experience of victims of child sexual abuse in the criminal justice system, it would also deliver benefits to other witnesses, the accused and the Court, as the Court has a broad discretion to order a ground rules hearing or appoint an intermediary for any witness with a communication difficulty, including an accused person. Obtaining clear, accurate testimony improves the Court's ability to deliver justice more effectively.

Further legislative reforms were developed to give effect to the Royal Commission's recommendations concerning the scope and structure of the offence of having a sexual relationship with a child or young person under special care. These reforms also implemented recommendations to reform the operation of tendency and coincidence evidence provisions in the Evidence Act 2011 as agreed by the Council of Attorneys-General. These reforms also amended the status of disclosures in the setting of a religious confessional, to clarify that there is no privilege that exempts a priest from giving evidence in relation to information disclosed in a religious confession.

Amendments to Official Visitor legislation

The *Official Visitor Amendment Act 2019* was passed by the Legislative Assembly in September 2019. The Act implemented a range of recommendations from a 2017 review of the Official Visitor Scheme.

The Official Visitor Scheme provides an independent monitoring and complaints-handling process for a range of vulnerable people residing in government institutions or community facilities who are dependent on the service provider or accommodation manager supporting them. Amongst other changes, the Act:

- provided a greater role for the Official Visitor Board and Executive Officer to oversee the recruitment of Official Visitors as well as providing support and training. The Board will provide an independent annual report for the scheme from 2020–21

- clarified the functions and reporting obligations of Official Visitors, including their functions to report on systemic issues of concern
- provided a power for Official Visitors to inspect records in a broader range of situations, to ensure that vulnerable people are being treated appropriately, while safeguarding their privacy
- allowed greater flexibility for Official Visitors to visit places across different operational areas to allow the scheme to operate more effectively and meet the needs of vulnerable people.

These amendments promoted the right to equality, to humane treatment when deprived of liberty, and the right to be free from inhumane and degrading treatment.

Legislative reforms regarding Drug and Alcohol Treatment Orders

The Sentencing (Drug and Alcohol Treatment Orders) Legislation Amendment Bill 2019 was passed by the Legislative Assembly in September 2019. It established processes for the ACT Drug and Alcohol Sentencing List (DASL) to make a Drug and Alcohol Treatment Order (DATO) as an alternative sentence to imprisonment. In line with the ACT Government's commitment to reduce recidivism by 25 per cent by 2025, the making of a DATO supports rehabilitation by addressing any underlying alcohol and other drug issues.

In 2019–20, JACS continued to collaborate with the Supreme Court and government and non-government agencies to support implementation of the DASL.

Victim support

The Coroners Amendment Bill 2020 was introduced in February 2020 and included amendments to the Coroners Act 1997 to better respond to the justice needs of families engaging with the coronial system and to make it easier for the Coroners Court to implement restorative approaches in its daily practice.

The amendments acknowledged the significant impact that an inquest or inquiry may have on the family and friends of a deceased person and that, wherever possible, families should be able to engage with the process and be kept informed of the particulars and progress of an inquest into their family member's death.

New courts facilities

In January 2020, work was completed on Stage 2 of the new ACT justice precinct with the completion of two additional courtrooms (including a Drug and Alcohol Court), mediation facilities, hearing rooms, new combined custodial facilities and accommodation for several justice support agencies. This combined courts facility supports operational efficiencies while respecting the jurisdictional separation between the Supreme Court and the Magistrates Court.

The facilities have expanded the capacity for trials and alternative dispute resolution processes, improved jury and vulnerable witness facilities, enhanced the custodial areas and vastly expanded the use of courtroom technologies.

In June 2020, the architects for the ACT Law Courts Building (Lyons) won the Romaldo Giurgola Award for Public Architecture and the W. Hayward Morris Award for Interior Architecture at the 2020 ACT Architecture Awards.

Integrated Case Management System

The ACT Courts and Tribunal (ACTCT) has implemented a new case management system known as the Integrated Case Management System (ICMS). The ICMS is a more efficient business system which will improve service delivery to the judiciary, tribunal members and court and tribunal users and will provide a platform for a number of online services, such as electronic lodgement of court and tribunal documents.

During the reporting year, electronic lodgement of some court and tribunal documents commenced. During the year, 108 originating claims and 858 non-originating claims, a total of 966 documents, were lodged electronically using ICMS. There were 91 online civil applications received by ACAT between 4 March (when the system went live) and 30 June 2020. Future work is anticipated in increasing the number of court and ACAT forms that can be lodged electronically.

Feedback on electronic lodgements has been positive and, at the end of the reporting year, there were 380 registered users across 157 law firms in ICMS.

Improved information

The ACTCT continued to improve information for people dealing with the courts and tribunal. New videos were developed to assist people coming to the ACAT and for motor accident injury matters. During the reporting year, the new Supreme Court and Magistrates Court websites were launched. The aim of the project was to create websites that assist court users to better access information and services relating to each court.

Interpreters Protocol

Interpreters play a very important role in court and tribunal hearings, assisting to provide fair and equitable access to justice for those who do not speak English or have hearing or other language difficulties. In December 2019, the ACTCT released an Interpreters Protocol to guide the use of interpreters in court and tribunal proceedings. The Protocol was developed following work undertaken by the Judicial Council on Cultural Diversity which recommended that courts and tribunals implement standards for working with interpreters. The Protocol provides guidance to judicial officers, tribunal members, registrars, court and tribunal staff, interpreters, agencies and legal practitioners when working with interpreters during hearings. The Protocol also acts as an educational resource to support access to justice and includes links to key organisations who provide further information about working with interpreters.

Supporting the ACT's culturally and linguistically diverse community

In the 2019–20 reporting period, the ACT Magistrates Courts arranged for the translation of educational videos into a number of community languages. The videos, which explain how to apply and respond to protection orders, had been developed in 2018–19 following a workshop on engaging and consulting with the ACT culturally and linguistically diverse (CALD) community on practical measures to improve access to the Magistrates Court in family violence matters. The videos support an existing suite of factsheets about protection orders which have been translated into 11 different languages. An online cultural competency training package has also been developed and rolled out to court and tribunal staff.

Education Directorate

The ACT Education Directorate delivers quality public school and early childhood education to shape every child's future and lay the foundation for lifelong development and learning. Through public schooling, the ACT Government provides quality education for students from preschool to Year 12. This includes early childhood schools, primary schools, preschool to Year 10 schools, high schools, colleges and specialist schools.

Management of the impact of COVID-19 pandemic

At the beginning of Term 2, ACT public schools shifted to a remote learning model for the majority of students. Students began a phased return to on-campus learning from week 4 in Term 2. Students considered vulnerable to COVID-19 continued to be supported to learn from home.

During the remote learning period, nine Safe and Supervised School sites and all specialist schools remained open to students who needed to attend, including children of essential workers as well as vulnerable children and those with additional needs. Students had access to a remote learning program which was designed and delivered by their usual classroom teachers.

ACT public schools have emphasised the use of ICT and the development of ICT skills for many years to ensure that students can develop their capacity to analyse information, solve problems and communicate in a highly digital society. This foundation enabled the Directorate to move quickly and decisively in response to the COVID-19 pandemic to ensure continuity of learning and to minimise the impacts of the pandemic on children and young people.

Key achievements during the Directorate's March–May 2020 COVID-19 response include:

- the majority of students supported to learn from home
- Safe and Supervised sites for around 4,000 registered public school students who were unable to learn from home
- over 5,000 public school teachers accessing sessions of professional learning on delivering teaching online
- an additional 2,000 Chromebooks were provided to public school students who needed them, adding to the 22,000 Chromebooks already provided to students in Years 7 to 12
- 600 public school families provided with internet to support learning from home
- establishment of the home learning resources for students and families website
- establishment of a telehealth service to support public school student wellbeing while learning from home.

Future of Education Strategy

There are four foundations to the Strategy:

- Place students at the centre of their learning.
- Empower teachers, school leaders and other professionals to meet the learning needs of all students.
- Build strong communities for learning.
- Strengthen systems to focus on equity with quality.

There are four principles for implementing the Strategy:

- Equity – student achievement sets aside economic, social and cultural barriers.
- Student Agency – students make decisions about their learning and how their learning environments operate.
- Access – supports for learning and wellbeing are available and provided to all students.
- Inclusion – diversity is embraced, all students are accommodated and a universal sense of belonging fostered.

In 2019–20, the *Future of Education – An ACT education strategy* continued to set the Directorate's direction, with a particular focus on the following objectives:

- strengthening inclusive education (specifically in relation to responding to challenging behaviours and enhancing complex case management)
- encouraging students to make decisions and use their voices
- ensuring sustainability of the education workforce
- ensuring capacity for early childhood education, long day care and out of school hours care
- providing support for children experiencing vulnerability or disadvantage and expanding free early childhood education and care
- ensuring more targeted and effective school improvement processes.

ACT/NSW cross border enrolment arrangements

Under the *NSW Education Act 1990*, the NSW Government is responsible for providing schooling for NSW resident students.

The ACT Government recognises the value of the *NSW-ACT Memorandum of Understanding for Regional Collaboration* and integrated service planning, for the planning and delivery of education and training services.

The ACT Government continues to engage closely with the NSW Government through established cross-border collaboration to facilitate inter-jurisdictional information sharing and collaboration for:

- school demographics, urban development and schools planning updates including future schools planning where catchments are proximate to the NSW-ACT Border
- student enrolment considerations including transport
- student transfer/data sharing to enhance the efficacy of the Student Data Transfer Note
- aligning services
- child protection and children at risk
- legislative reform
- equal access to education and care including national models for personal care and specialist transport

as well as other issues of national significance including:

- the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability
- registration/accreditation and recognition of professional development activities.

NSW Pathways Policy for enrolment of NSW residents in ACT public schools

As part of the current NSW-ACT Memorandum of Understanding for Regional Collaboration and to maintain our commitment to families in the ACT surrounding region and provide greater certainty for cross-border families, the ACT Government has established a NSW Pathway Policy that enables NSW children to apply to enrol at particular ACT public schools.

NSW Pathway Policy ensures access to particular ACT schools for NSW students, as well as demand management through preserving capacity for local ACT students in high demand areas which are experiencing significant population and enrolment growth.

NSW students are now accepted in selected schools in two zones in the ACT, a northern zone centred on Belconnen and a southern zone centred on Tuggeranong. There is no restriction on the number of NSW students that can be accepted in these zones and current enrolments will be honoured for existing students and their siblings.

Currently the Northside Pathway Zone includes two primary schools, two high schools and a college. The NSW Southside Zone includes four corresponding primary schools, three high schools and a college.

Once a student is enrolled on a NSW Pathway, they will be guaranteed a place in that Pathway. This means any NSW student already enrolled under a particular pathway in a previous year will be able to continue on that pathway throughout their schooling.

In limited circumstances only and subject to meeting enrolment criteria, ACT schools that are not designated as NSW Pathway Schools can consider NSW student enrolments.

During 2018–19, the number of NSW children travelling to ACT schools remained roughly stable. These arrangements are supported through ongoing collaboration to ensure NSW bus services support these students to access their NSW Pathway School.

Environment, Planning and Sustainable Development Directorate – planning and urban policy

Under the Managing Buildings Better reforms, the Environment, Planning and Sustainable Development Directorate (EPSDD) is reviewing and updating unit titles legislation, to improve the management of apartments, townhouses and commercial units. Stage 1 of the reform project has now been implemented, with the *Unit Titles Legislation Amendment Act 2020* commencing on 1 November 2020. These reforms have delivered improvements for all parts of the community. For example, developers can now create bespoke rules; buyers will receive more information when they buy units off the plan; owners corporations have been given greater autonomy over how to manage their affairs; and more support is provided for keeping pets and installing sustainability improvements. EPSDD is now progressing Stage 2 in collaboration with the Unit Title Reform Consultative Group, which includes key community and industry stakeholders.

The ACT Government is reforming and improving the ACT's planning system. The ACT Planning System Review and Reform Project began in March 2019, with the purpose of delivering a planning system that is clear, easy to use and that encourages improved spatial and built outcomes across the Territory. The aims are to simplify the planning system, improve the balance between certainty and flexibility, and incorporate character, context and design as key elements. The project will deliver a proactive and responsive planning system that enhances Canberra's strong reputation as a great place to live and work and facilitates the realisation of long-term aspirations for the growth and development of Canberra while

maintaining its valued character. The Government wants to make sure that the planning of our city meets the expectations of industry and community, and that Canberra is positioned as a destination city that people and companies look toward and choose to live and invest in over and above others.

The ACT Government undertook substantial groundwork in 2019–20 to inform planning reforms in the future. A holistic review of the whole current ACT planning system was undertaken. This process involved community and industry engagement and internal work. The system was also benchmarked against other national and international jurisdictions. These investigations enabled EPSDD to understand a range of approaches to respond to the issues and challenges currently faced in the ACT, and to identify what changes and reforms could create a better planning system.

The outcomes of the review and benchmarking process are outlined in a series of policy direction papers published on the ACT Planning System Review and Reform in November 2020. The ACT Government is now considering the legislative and policy changes required to deliver a reformed planning system, including a new Planning Act and Territory Plan.

These reforms will assist Canberra as our economy recovers from the impacts of the COVID-19 pandemic.

Actsmart sustainability services for households and businesses

The ACT Government delivers a suite of services via the Actsmart program for residents and businesses to reduce greenhouse gas emissions, lower energy use and bills, and improve thermal comfort. In March 2020, many of the services offered in face-to-face formats were offered via a digital format, in response to the public health restrictions related to the COVID-19 pandemic, to ensure continual effective and reliable service delivery to the community. Digital formats included education workshops, and phone and online energy assessments. The service also pivoted to contactless delivery of energy savings items for low-income households. This quality improvement has meant more people in the community have been able to access Actsmart services, and digital service delivery will remain as part of Actsmart's ongoing business model.

Energy Efficiency Improvement Scheme

The ACT Government's Energy Efficiency Improvement Scheme (EEIS) requires electricity retailers to either deliver energy savings activities to Canberra households and businesses or make a financial contribution to support ACT Government-led energy efficiency programs. In 2019 and 2020, the ACT Government legislated an extension of the EEIS to 2030 following recommendations from consultation in 2018–19. This will ensure low-income households continue to benefit from the scheme and emissions reductions targets continue to be supported.

City renewal

The City Renewal Authority (the Authority) is leading the transformation of Canberra's City Renewal Precinct, spanning Dickson, Northbourne Avenue, Haig Park, Civic and Acton. In implementing its renewal agenda, the Authority is working in partnership with the community, business and government to shape the growth of the central parts of the city to make it a great place to live, work, explore and enjoy.

As defined by the objects of the *City Renewal and Suburban Land Agency Act 2017*, the Authority will:

- encourage and promote a vibrant city through the delivery of design-led, people-focused urban renewal
- encourage and promote social and environmental sustainability
- operate effectively with sound risk management practices to ensure value for money.

In meeting these objectives, the Authority recognises that Canberra's city centre must be defined by well-designed and managed places for people to use and enjoy and provide a quality-of-life Canberrans expect and deserve.

Two current renewal initiatives – the Haig Park Experiments and place management in City and Dickson – demonstrate the Authority's integrated approach to place planning and activation. Both of these projects exemplify what can be achieved for our public spaces in a short period of time when the community is placed at the core of the renewal effort and an agile approach is adopted. In 2019, the Authority conducted the Haig Park Experiments as a first step towards revitalisation of the inner-urban park.

Guided by recommendations of the *Haig Park Place Plan*, the experiments sought to trial community aspirations for the park. They comprised 26 different temporary activations, events and installations between June and December 2019. Designed to test and understand which improvements would best help the park to become a place for all Canberrans to enjoy, the experiments included community activities such as a dog-walking group, events such as the Festival of the Forest, and temporary installations such as a nature play area.

The experiments successfully increased visits to and activity in Haig Park and helped change how people use, experience and perceive the park. They also built community capacity and new social connections to the park, with an extensive range of local individuals and organisations engaged in their implementation. The experiments:

- significantly increased (47 per cent) visits to the park – almost 30,000 additional visits over the six-month program
- very significantly increased (614 per cent) daily use by children aged up to 14 years in the park between May and October 2019
- encouraged people to spend more time in the park, with visits ranging from 15 minutes to five hours
- helped change perceptions so people now perceive the park as an asset to their community
- helped people feel more connected to the park, each other, and their community
- increased community enthusiasm and optimism about the opportunities of the park
- helped build and encourage community and stakeholder capacity to support and host community activities and events in the park
- generated a major increase in physical activity and participation
- increased the diversity of visitors across all age groups, particularly within the 25 to 34 year age group
- helped challenge negative perceptions of the park as an unsafe place.

Guided by the findings of the experiments and by the *Haig Park Place Plan*, a new Conservation Management Plan, the Authority was able to progress design work for the next stage of improvements to the park including:

- lights, paths and other park infrastructure upgrades to improve community safety and enhance amenity and use of the park, while improving connectivity to Braddon Shops
- the re-adaptive use of the former Haig Park Depot together with a new community centre.

The Authority will continue to pursue its ambition to advance this important community-led project with ongoing community consultation and cross-government support.

A dedicated City Place Management Team continued to undertake a program of enhanced cleaning and maintenance in the city centre including graffiti removal, high-pressure cleaning and supporting the installation of high-quality public seating and infrastructure. The City Place Manager continued to develop partnerships with city centre businesses and event organisers to facilitate better use of the public spaces and connection with the Authority and the broader ACT Government.

The Authority also appointed a dedicated place manager for Dickson. The new Dickson Place Manager completed an audit of public spaces in Dickson to inform future work and began implementing the actions of the *Dickson Place Plan*.

The Authority, in partnership with Transport Canberra and City Services, was successful in securing funding under the Jobs for Canberrans program for 12 additional short-term roles to boost the existing Place Team. The expanded team delivered additional cleaning and horticultural work across the precinct as well as a fast-tracked program of maintenance. This work included cleaning of the historic Melbourne and Sydney Buildings environs, reinstallation of numerous garden beds, and a program of enhanced sanitisation of public infrastructure as a response to COVID-19.

To encourage visitation to the precinct while managing COVID-19 restrictions, the Authority developed and completed a broad activation program which included seasonal events.

- Wintervention 2019 drew record crowds into the city for a range of family-friendly winter experiences, including an outdoor ice-skating rink, light installations and free entertainment.
- In partnership with Floriade, the Garden of Enchantment transformed Garema Place into a family-friendly green space from 7 September to 28 October 2019. A program of workshops, performances and entertainment supported the installation.
- Over a 12-week period the Woolley Street Project showcased innovative uses of one of Canberra's most popular restaurant precincts, enabling the community to imagine an evolved precinct. Over the course of the project, we implemented road closures of varying scale to provide more public space and trial amended traffic conditions. The increased public space was used for markets, performances, al fresco dining areas and the Great Woolley Street Feast. We are using the information gathered during this project to inform the design for a renewed Woolley Street.
- Australia's largest kaleidoscopic Christmas tree glistened throughout the day and lit up City Walk by night. 'Merry and Bright' Christmas in Civic was officially launched with a family-friendly afternoon of fun-filled activities. Hundreds of Canberran families took selfies with Santa, decorated biscuits and were serenaded by carollers.

- Two rounds of City Grants awarded a total of \$395,954 across 23 projects to help enliven the city centre. The projects delivered included the World Curry Festival, a city hub as part of the Design Canberra Festival, and the Braddon Busking Festival. The Authority expanded its grants program to Dickson for the first time, with nine projects sharing a total of \$75,287.

Transport Canberra and City Services

The Directorate delivers an attractive cityscape and amenities, an effective road network, an integrated public transport system, and city services, which are necessary to support a growing community as well as attract tourism and business investment to the region. The Directorate is responsible for the planning, building and maintenance of many of the ACT Government's infrastructure assets, such as roads, bridges, cycling and community paths, and the streetlight network. It also plays an important role in managing the city's open space, parks, neighbourhood play areas, sportsgrounds, recreational facilities, local shops and playground equipment. The range of community services delivered by the Directorate includes libraries, waste and recycling services, safer walking and cycling around schools and city amenity.

Capital Linen Service, ACT NoWaste and Yarralumla Nursery are managed by TCCS. The Directorate also has administrative oversight responsibility for the ACT Public Cemeteries Authority, which operates the Woden, Gungahlin and Hall cemeteries.

The directorate made many significant improvements to the efficiency and effectiveness of service delivery throughout the reporting period.

In part, this was a result of the necessity to respond to the circumstances presented by the 2019–20 bushfires and COVID-19 pandemic, and the subsequent need for TCCS to adjust service delivery to keep employees and the wider community safe.

The pandemic also presented a significant challenge to our corporate areas who supported staff to work remotely, including through information technology, human resources and mental health support.

During 2019–20, TCCS established a Workplace 2.0 Project Team to manage the relocation of TCCS staff to a new ACT Government Office building in Dickson. This included supporting employees to transition to an activity based work environment with unassigned desk and 'paper lite' working. A working group met monthly to share updates and seek feedback on particular logistical and transition issues.

City Services

The Better Suburbs initiative was completed, which culminated in the delivery of the community-authored Better Suburbs Statement 2030. The community participated in the ACT's first participatory budgeting exercise, and decided on priorities for \$1.9m in investment in improving play spaces across the city.

Improvements in play spaces included:

- installing new Nature Play areas at Farrer, Eddison Park and Glebe Park with local children assisting in shaping the designs including different zones to explore, climbing structures and sand pits
- completion of a new playground, to improve the look of Gungahlin Place making it a more welcoming environment for children and families, as well as tunnels, climbing cables and a nest swing.

Urban wood waste was extensively recycled to provide mulch for reuse in open space across the ACT. Approximately 14 logs were salvaged for a variety of uses including coarse woody debris in nature reserves and green spaces, and to supply mulch and logs to create Indigenous yarning circles in schools and several nature playspaces. Salvaged logs were also milled for school and CIT woodwork projects.

In early 2020, the TCCS Licensing and Compliance team were well advanced in providing an activity-based work environment with mobile, field-based technology solutions to help support its work. This formed the basis to incorporate new ways of doing business to meet COVID-19 health directions, including physical distancing, and working remotely for rangers.

A move to home garaging was a key means to enable the adoption of new ways of working, especially for field-based officers such as City Rangers. With the already implemented field-based technology solutions, home garaging enabled officers to commence work without needing to commute to collect a work vehicle.

Starting from home, officers can now electronically receive their cases and be on their first response within minutes. In addition, other TCCS facilities, such as libraries and depots, were made accessible to Licensing and Compliance Officers. This enabled them to undertake office-based work such as printing without needing to attend a specific office.

These adaptations to the way we work have resulted in an increase in case responses and efficiency, as well as overcoming overnight garaging capacity pressures.

Waste and recycling

Green waste bin collections remain a popular service, with over 81,700 signing up for the service, a take-up rate of 48 per cent.

Work continues to examine options to implement a Food Organics and Garden Organics (FOGO) collection service, including collection models, the processing location, viable technologies, and the marketability of the processed products.

Over 100 tonnes of green waste was recycled and diverted from general waste at the Yarralumla Nursery.

During 2019–20, the Directorate continued to adopt innovative treatments to provide a sustainable road network. Glass bottles and plastic bags collected through the Container Deposit Scheme contributed to the development of trials using ecologically sustainable road base made from recycled materials.

TCCS commenced trials of road surfaces made from recycled materials with each tonne of road base comprised of approximately 800 plastic bags, 300 glass bottles alongside 18 used printer toner cartridges and 250 kilograms of reclaimed asphalt.

TCCS successfully trialled recycled crushed glass from the Material Recycling Facility as a replacement for virgin river sand in pipe bedding within Icon Water's infrastructure network.

Libraries

When public programs in 2019–20 were impacted by the bushfires and COVID-19, Libraries ACT hosted online events to ensure these important programs could continue to be delivered.

Digital resources loaned increased by 27 per cent over this period due to the impact of COVID-19. Libraries ACT also coordinated monthly deliveries of library items to 290 people who, for reasons including disability, illness, or limited mobility, were unable to access a public library in person.

A pilot Home Delivery service for individuals impacted by COVID-19 has been initiated and will be ready for implementation in 2020–21.

Transport

A key priority for 2018–19 was the development of a draft ACT transport strategy. On 19 December 2018, the ACT Minister for Transport released the draft Moving Canberra strategy, for public consultation.

The Canberra Strategic Transport Model was recalibrated in 2018–19 to reflect 2016 traffic and demographic conditions, including the 2016 ABS Census results and the Household Travel Survey that was completed in 2017–18. Recalibration of the model is undertaken every five years in line with Census years.

During 2018–19, an ACT-wide Park-and-Ride and Bike-and-Ride investigation was completed into the pre-feasibility for new or expanded Park-and-Ride and Bike-and-Ride facilities to support future implementation of the new RAPID bus and light rail networks.

TCCS continued to provide advice and submissions into autonomous vehicles projects for progression of this work to the Transport and Infrastructure Senior Officials' Committee and the Transport Infrastructure Council for endorsement.

In September 2019, the Government released the Transport Action Plan aimed at improving reliability of weekend bus services.

Work also commenced to develop a Zero Emissions Transition Plan to enable a zero-emissions bus fleet by 2040. Eighteen fast chargers were also installed across City Services depots in support of the ACT Zero Emissions Vehicles Action Plan 2018–2021.

Transport Canberra

An alternative fuel bus trial was conducted with two electric buses over a period of 12 months. The results have been helpful with regard to the continued development of a road map to zero emissions.

Market sounding and procurement of zero emission bus alternatives occurred along with progress in delivering a fully operational depot at Woden that will also enable the growth of buses in the fleet to increase frequency in the network and meet growth demand.

Procurement of a new generation ticketing solution, that will enable technological improvements and an account-based payment system, was progressed.

The Transport Canberra (TC) Journey Planner was launched integrating bus routes, light rail routes, bicycle and walking options to plan a journey for the community.

The Household Travel Survey Dashboard was developed to encourage exploration of the travel survey data.

TC maintained normal levels of service delivery and adopted measures, to make essential travel a safe, clean environment for employees and passengers, including the introduction of rear door entry, cashless travel and an extensive public transport communications campaign focussed on COVID-19.

TC recorded a 7.7 per cent increase in the number of passenger journeys undertaken by bus and light rail prior to the impact of COVID-19 in March 2020.

Light rail

On 20 April 2019, the City to Gungahlin Light Rail service commenced public passenger operations. It is a 12-kilometre light rail service, comprising thirteen stops, fourteen Light Rail Vehicles (LRVs) and one maintenance depot. The project, delivered under a twenty-year availability Public Private Partnership (PPP) with Canberra Metro, encompasses the design, construction, finance, operations and maintenance of the light rail system. It represents the largest single investment by the Territory since self-government.

The vision for the City to Gungahlin light rail as set out in the 2014 Project Business Case is to 'boost Canberra's sustainable development by changing and improving transport options, settlement patterns and employment opportunities'. In doing so, the project aimed to address two key problems: the need for better, more sustainable transport options to reduce car dependency and improve transport capacity; and the need for a sustainable urban form.

Crucially, the success of the project has in large part been thanks to the ACT Government's private sector partner, Canberra Metro. Canberra Metro and the ACT Government worked together in a collaborative, commercially pragmatic manner to deliver the project and ensure both parties are positioned well for the operations and maintenance of the system over the coming decades.

Canberra celebrated the first anniversary of Light Rail Stage 1 with 4.5 million passenger boardings since operations commenced in April 2019. In June 2020, a further landmark was reached with passenger light rail having travelled one million kilometres. The project also achieved an Infrastructure Sustainability Design Rating of 'Excellent' from the Infrastructure Sustainability Council of Australia for Light Rail Stage 1.

Active Travel

Transport Canberra delivered the expanded Active Streets for Schools program to another 52 schools.

The Schools Program provided ongoing support to schools throughout 2018–19, continued delivery of the School Crossing Supervisor program and the Active Streets for Schools program, including the expansion of the number of schools and intersections. Several infrastructure improvements were delivered to support walking and riding to schools, which included new and upgraded footpaths, safer crossings and speed humps near schools.

Other important Transport Canberra initiatives delivered through 2019–20 included:

- continued delivery of the School Safety Program including the Active Streets for Schools, Ride or Walk to School and It's Your Move programs, School Crossing Supervisor Program, and other initiatives
- delivery of the Age Friendly Suburbs program including upgrades to path networks and connectivity to six suburbs with a significant proportion of residents aged over 55
- the start of the Slower Streets initiative during the COVID-19 pandemic, working with communities to encourage cars to slow down to make local streets safer for walking and cycling
- provision of technical and policy advice on cycling and walking across the government and wider community in areas such as infrastructure planning and assisting the Climate Change Division in establishing its community leadership and behaviour change functions.

Community Services

ACT Housing Strategy

The Environment, Planning and Sustainable Development Directorate (EPSDD) leads the ACT Housing Strategy overall, coordinating the engagement, reporting and ongoing implementation in collaboration with the Community Services Directorate (CSD) through Housing ACT. While CSD is responsible for the social housing and homelessness services, EPSDD is responsible for the provision of affordable housing in general as the planning and land development agency.

The ACT Housing Strategy (the strategy) was launched in October 2018 and encourages and promotes a housing market that meets the diverse and changing needs of the Canberra community and enables a sustainable supply of housing for all income levels.

Under the Strategy, the Community Services Directorate is responsible for delivering and reporting against Goal 2 – reducing homelessness, and Goal 3 – strengthening social housing assistance, with a couple of joint responsibilities for specific actions under Goal 4 – increasing affordable rental housing.

Reducing homelessness

The ACT Government is committed to reducing homelessness and, in 2019–20, the ACT Government worked with the sector to design and implement a number of new programs to respond to new and emerging groups at risk of homelessness.

- **Axial Housing:** In 2019, the ACT Government implemented a housing first pilot program that will help people in the community experiencing chronic homelessness, requiring urgent assistance and unable to sustain a tenancy on their own. The Axial Housing program houses rough sleepers, including some entrenched rough sleepers who have previously been unwilling to engage.
- **Common Ground:** Work has continued to deliver Common Ground in Dickson to provide stable and supportive housing for people who need it. The identified cohort for Common Ground Dickson includes single older women, women with children, and single younger women.
- **Targeted accommodation:** Housing ACT is working with government and community partners to provide more targeted accommodation for identified cohorts and those clients with more complex needs. This includes projects to support: youth out of home care and crisis accommodation, Aboriginal and Torres Strait Islander older people, mental health wellbeing, and disability group housing, to name a few.

In response to the COVID-19 public health emergency, the ACT Government worked closely with the ACT Specialist Homelessness Sector services to understand the types of additional support needed for them to continue to deliver essential services. The ACT Government allocated \$3 million in funding to provide support for people facing homelessness or domestic and family violence arising from the pandemic. This included:

- **Accommodation Support Fund** – \$832,000 was allocated to provide both emergency and long-term accommodation for men, women and children who face the challenge of physical distancing in shelters, self-isolation and potential quarantine when needed. Through the Accommodation Support Fund \$150,000 was provided to CatholicCare to establish and operate MacKillop House to provide supported accommodation for women and children experiencing homelessness.

- Client Support Fund – \$330,000 for OneLink to expand existing operations in response to those who are at risk of homelessness due to COVID-19.
- Domestic and Family Violence – \$550,000 to respond to an increase in demand for domestic and family violence and sexual assault services and provide emergency accommodation to women, children and families experiencing domestic and family violence.

Outcomes of the COVID-19 stimulus programs will also inform future work to ensure that funding, service gaps and needs are met and that procurement methodologies are appropriate for both large and small organisations.

Strengthening social housing assistance

In May 2019, the Government announced Growing and Renewing Public Housing 2019–2024, which supports the work of the ACT Housing Strategy and its goal to strengthen social housing assistance by delivering safe and affordable housing to support low income and disadvantaged Canberrans.

The program builds on the success of the Public Housing Renewal Program running from 2015–2019, with an unprecedented program that resulted in 1288 properties being renewed across the ACT.

The new program includes an investment of \$100 million³ to grow the public housing portfolio by at least 200⁴ additional dwellings, providing more homes for households in need, and will rebuild or replace more than 1,000 existing older homes to help improve quality of life for our current and future tenants.

In the first year of Growing and Renewing Public Housing 2019–2024, 60 dwellings were either constructed or purchased as part of the program. Housing ACT is continuing to identify suitable properties for both the redevelopment and sales programmes. However, delays and barriers to tenant engagement by Housing ACT's Relocations team have occurred as a result of COVID-19.

Improved energy efficiency in public housing

The scheme assists tenants to reduce their power bills, use energy more efficiently and cut greenhouse gas emissions.

Building on the success of the trial program to improve energy efficiency and lower utility bills for public housing tenants, a further \$5.713 million was allocated over three years in the 2018–19 Budget. This funding delivered the next stage of the program and installed more than 2,600 electric energy efficient appliances to eligible public housing properties.

The expanded program targeted inefficient gas heating as well as electric space heaters and gas hot water systems. Public housing tenants were also able to access education programs and energy audits delivered by the Environment, Planning and Sustainable Development Directorate (EPSDD) through the Actsmart Low Income Program.

In August 2019, the ACT Government committed an additional \$8.9 million over two years for general property and energy efficiency upgrades for public housing properties, of which \$2.6 million was allocated to the Energy Efficiency Improvement Scheme for Public Housing.

3 This figure was as at the announcement of the program and has been expanded in subsequent years.

4 This figure was as at the announcement of the program and has been expanded in subsequent years.

The additional funding will enable existing inefficient gas or electric heating and gas hot water systems, to be upgraded with new energy efficient reverse cycle heating units and electric hot water systems in up to 1300 eligible public housing properties.

Safe and Connected Youth Program

The Safe and Connected Youth Project (SACY) is a partnership between the Community Services Directorate and community sector partners to deliver the Safe and Connected Youth pilot project. Through this project, services are provided to children and young people in their 'middle years' (8–16) experiencing family conflict and who may be at risk of homelessness.

SACY provides support and services to young people and their families including:

- strategies to de-escalate family conflict
- improved communication
- family mediation
- parent coaching
- respite accommodation.

It provides connection and advocacy for children, young people and their families for services including:

- education and out of school support
- mental health assessments and support
- Centrelink
- youth justice
- other social supports.

The program has successfully delivered on its key objective of reducing the risk of homelessness for young people, but has also supported families to reduce family conflict, improve connection and access to services and positively affect the lives of these children, young people and their families.

The Safe and Connected Youth Program works with the families to address the individual circumstances involved, and provide connection to mainstream services, reducing interactions with statutory systems and providing strategies for all members of the family to improve the situation.

Between October 2019 and June 2020 there were 13 families involved in the Safe and Connected Youth Program; this included Aboriginal and Torres Strait Islander young people. The majority of these young people safely remained at home, with the few who could not be supported to move into stable accommodation.

Commissioning for outcomes

The Community Services Directorate (CSD) is transitioning to a commissioning for outcomes environment for the services it delivers and funds. This is expected to occur incrementally over a ten-year period.

Commissioning is focused on building strong relationships that change the way Government and the Non-Government Organisation (NGO) sector partner to design and deliver services which achieve positive outcomes for our community. This contrasts with the more standard, transactional approach which, for the most part, does not involve sector partners or people with lived experience in service and system design.

In September 2019, CSD released the *Strengthening Partnership – Commissioning for Social Impact* Discussion Paper. This paper outlined why commissioning is important, and presented strategies, priorities and ideas for how CSD intends to work with stakeholders, including service users, to design and implement commissioning in the ACT. The key priorities for commissioning listed in the Discussion Paper included:

- self-determination for Aboriginal and Torres Strait Islander people
- building industry capacity, ensuring sustainability and promoting innovation
- developing better policy, systems and governance
- delivering person-centred, integrated, outcomes-based procurement and contracting
- accountability to communities and a commitment to co-production.

To support the release of the Discussion Paper, five workshops were held between October and November 2019. The workshops, which engaged over 120 people, explored commissioning in more detail than previously done in the ACT and supported the building of a commissioning evidence base that is unique to the local context.

Work on commissioning was temporarily placed on hold for the majority of 2020 to enable the Directorate to effectively respond to, and support the community through, the COVID-19 ACT public health emergency.

Children’s Services Program

The Children’s Services Program (CSP) assists vulnerable children and families within our community to access short-term early childhood education and care (ECEC), where the primary caregiver is unavailable. The program provides access for vulnerable children aged zero to five years who are most likely to benefit and least likely to access high quality ECEC services.

The program has successfully supported access to ECEC places for children from Aboriginal and Torres Strait Islander families, who traditionally have a low rate of attendance in early education and care.

The early childhood education and care sector is an ever-changing landscape, influenced by Australian Government initiatives and both the not-for-profit and for-profit sectors. The CSP continues to be flexible, recognising that ECEC policy is mostly driven by the Australian Government. The directorate has been working closely with funded providers to assist in the transition to the Australian Government new subsidy arrangements, with the introduction of the Jobs for Families Child Care Package. The directorate and funded providers continue to work collaboratively to ensure children are accessing childcare subsidies which best meet their needs.

Several supports that are complementary to ECEC are also funded under the CSP – for example, Family Foundations, a free, early intervention program that promotes strong, secure, and healthy relationships between children aged zero to five years and their parents/carers. Parents gain knowledge, experience and strategies to build on their parenting skills as well as being linked with additional support to provide a holistic, wrap-around early intervention approach.

During 2019–20, the Community Services Directorate approved 564 applications under the CSP, including 92 applications where the child identified as Aboriginal or Torres Strait Islander. The Program successfully supported access to early childhood education and care places for children from Aboriginal and Torres Strait Islander families, who traditionally have a low rate of attendance in early education and care.

Child, Youth and Family Services Program (CYFSP)

The CYFSP supported vulnerable children, young people and their families by focusing on early intervention. CYFSP-funded services deliver holistic, wrap-around services for vulnerable children, young people and their families in the ACT. Through the CYFSP, the Directorate worked to improve coordination, collaboration and integration between service providers and across the service system.

A Workforce Development and Training (WDT) Program was also rolled out for CYFSP-funded organisations to support their strategic focus and development. The program is overseen by the CYFSP WDT Sub-Committee.

In mid-2018, the CYFSP Directors Group and the CYFSP WDT Sub-Committee committed to undertaking Stage 1 of the Service Improvement Project (SIP). The project is designed to provide a systematic and structured approach to reviewing and redesigning the service delivery framework for organisations that deliver programs under the CYFSP.

There was a strong level of engagement, with 27 services from 16 organisations participating. Stage 1 of the SIP project ran from 1 September 2018 through to February 2020 and involved engaging workers and managers from organisations, which provide CYFSP services, in a process to define the program logic for their service delivery of CYFSP. This involved supporting teams to firstly clarify the aims, activities and program theories and then secondly to identify outcomes and outcome indicators. In June 2020, the WDT Sub-Committee endorsed the training proposal and funding for Stage 2 of the SIP. Stage 2 will involve the development of evaluation frameworks to enable robust data collection, reporting and evaluation and the further development of program guidelines and procedures. The Stage 2 pilot of the project will include four sites (four services from organisations funded under CYFSP) and is due to finish in June 2022.

Community Referred Respite Assistance Program

On 1 July 2019, the Community Referred Respite (CRR) Assistance Program was launched as part of the Child, Youth and Family Services Program. The CRR Assistance Program supports vulnerable families of children and young people who require a planned, short-term, time limited break. It aims to provide families with the flexibility to select a support service that will be responsive to the needs of their family, encouraging self-care, building support networks and strengthening the ability of care giving.

The aim of the program is to have a focus on early intervention by providing practical support at an early stage to prevent families from reaching crisis point and entering into the statutory system. During 2019–20, 16 applications for assistance were assessed and approved. The team continues to respond to enquiries via phone or email and the level of interest in the program continues to increase. The CRR Assistance Program can complement the CSP, providing support to children older than five with school holiday respite, out-of-hours school care where necessary, or other tailored respite.

Corporate services

During 2019–20, the Community Services Directorate (CSD) worked to reduce carbon emissions by 8 per cent in line with the ACT Government's Carbon Neutral Government program.

Housing ACT is replacing inefficient heating and hot water systems, and to replace gas cooking appliances with electric alternatives.

Heating systems at Bimberi Youth Justice Centre were upgraded to efficient systems that reduce emissions.

CSD also completed the first stage of an external lighting upgrade, that will significantly reduce electricity usage, with upgraded-to-Light-Emitting-Diode (LED) lighting.

Sustainability was a key focus for the 2020 Multicultural Festival. Festival organisers, in partnership with ACT Smart Recycling, worked with all participating stallholders to encourage the use of compostable, environmentally friendly materials where possible.

ACT Government initiatives undertaken in relation to service delivery to Aboriginal and Torres Strait Islander communities in 2019–20

Our Booris, Our Way Review

The Our Booris, Our Way Review considered how to reduce the over-representation of Aboriginal and Torres Strait Islander children in the ACT child protection system through reducing the number of children entering care, improving their experience of care and improving pathways to exit care through restoration. Recommendations to government were based on the analysis of the experiences of over 300 Aboriginal and Torres Strait Islander children involved with the child protection system in the ACT as at 31 December 2017, and on consultations with the community.

The final report was presented to the Minister for Children, Youth and Families, Ms Rachel Stephen-Smith at the ACT Legislative Assembly on 17 December 2019, marking the end of the first phase of the Our Booris, Our Way Review. It focused on systemic and practice improvements to child protection and early support services to prevent children from touching the child protection system. The Final Report outlined 28 recommendations for systemic change in child protection and out of home care to:

- safely reduce the number of Aboriginal and Torres Strait Islander children and young people entering care
- improve their experience and outcomes while in care
- where appropriate, exit children from care.

In 2019–20, Our Booris, Our Way moved from the review phase to overseeing implementation of recommendations. Support for this work moved from Quality Complaints and Regulation (QCR) to other areas of the Directorate.

Minister Stephen-Smith approved an interim Implementation Oversight Committee that monitored the progress of recommendations. The Government agreed to an initial 15 interim recommendations. These were immediate opportunities for learning and change, and these have been accepted or agreed in principle and are either being implemented or comprehensively considered in line with other related reforms or initiatives.

In response to a number of recommendations, Child and Youth Protection Services (CYPS) established a number of initiatives during 2019–20. Several new, designated Aboriginal and Torres Strait Islander appointments were made and SNAICC was engaged to train CYPS staff on the implementation of the Aboriginal and Torres Strait Islander Child Placement Principle. CYPS also worked to increase the cultural proficiency of CYPS staff to ensure a greater understanding of Aboriginal and Torres Strait Islander culture, with a focus on collaboration and the establishment of positive working relationships. A number of practice guides, procedures for staff and information sheets for families and advocacy groups were implemented.

Furthermore, CYPS worked with the Ngura Naraganabang (Safety in the Pouch) Advisory Group, an independent body of sector professionals who provided advice and feedback on operational policy and resource development to support practice when working with the Aboriginal and Torres Strait Islander children, young people, families and communities.

Gugan Gulwan Youth Aboriginal Corporation

The Office for Aboriginal and Torres Strait Islander Affairs (OATSIA) continued to work with the Aboriginal and Torres Strait Islander Community Sector to be able to deliver important services to the ACT community. OATSIA worked closely with Gugan Gulwan Youth Aboriginal Corporation in 2019–20 to identify suitable accommodation options, through a feasibility study, to meet its ongoing needs to deliver the range of services for Aboriginal and Torres Strait Islander young people and families. The final feasibility report was provided to government and the Gugan Gulwan Board.

Office of the Coordinator-General for Family Safety

In 2019, the ACT Government reaffirmed their commitment to self-determination and delivering equitable outcomes through the new Aboriginal and Torres Strait Islander Agreement 2019–2028. This sets the long term (10-year) direction in Aboriginal and Torres Strait Islander Affairs in the ACT and obligates the signatories to work together to enable equitable outcomes for the Aboriginal and Torres Strait Islander Community. The Agreement provides a framework for ACT Government agencies and our partners to deliver actions that reflect the commitments under the Agreement's focus areas. Each ACT Government Directorate is reporting on the progress of actions outlined in the action plan.

The overarching theme of the Agreement 2019–2028, as with the previous three-year Agreement 2015–2018, is Strong Families. For Aboriginal and Torres Strait Islander peoples, family is the foundation for a healthy, independent and culturally rich community. Connection to family, community and country is at the heart of success in all facets of life for Aboriginal and Torres Strait Islander peoples. Since the official signing and community launch of the new Agreement in 2019, the ACT Government has been progressing priority actions in each of the core and significant focus areas of the Agreement.

The Quality Life Outcomes in the Agreement will be measured as we progress the Agreement's ten action plans, which were developed in partnership with the ACT Aboriginal and Torres Strait Islander Elected Body. There are strong governance and reporting mechanisms in place that are vital to understanding the impact of this work for Aboriginal and Torres Strait Islander peoples in the ACT.

The ACT Government remains strongly committed to addressing domestic and family violence in all forms and acknowledges the particular impact of domestic and family violence on Aboriginal and Torres Strait Islander people, their families and communities. Consistent with the Agreement's focus to further self-determination, the ACT Government is partnering with the Aboriginal and Torres Strait Islander community to develop and implement community-led solutions to address family violence.

There are two community-led reports that are guiding actions to respond to family violence experienced by Aboriginal and Torres Strait Islander communities. They are the *We Don't Shoot Our Wounded* (2009) report and the *Change our Future – Share What You Know* report from the Aboriginal and Torres Strait Islander Community Forum on Domestic and Family Violence (2017).

To address the issues raised in these reports, the ACT Government has made a commitment to support, partner and resource the Aboriginal and Torres Strait Islander community to improve responses to domestic and family violence in the community.

This project aligns with the five priority areas outlined in the *National Plan to Reduce Violence against Women and their Children 2010–22, Fourth Action Plan* to improve safety and life outcomes for Aboriginal and Torres Strait Islander women and children.

In 2019–20, a number of initiatives were undertaken to progress this commitment, including:

- the creation of an Aboriginal Project Officer in the Office of the Coordinator-General for Family Safety
- the tabling in the ACT Legislative Assembly of a Ministerial Statement of Commitment to address issues in the *We Don't Shoot Our Wounded and Share What You Know* reports
- the commencement of start-up resourcing for the Aboriginal and Torres Strait Islander Reference Group of the Domestic Violence Prevention Council to assist with their community consultation, and prioritisation and design of immediate actions to address issues in the *We Don't Shoot Our Wounded and Share What You Know* reports.

ACT Government deregulation and legislative change in 2019–20

Deregulation reforms

In 2019–20, the ACT Government coordinated and undertook initiatives to deliver upon its regulatory reform agenda. This included:

- the introduction of legislative reforms to land titling laws to be less paper-based and to allow for electronic conveyancing
- the progression of the Commonwealth's Deregulation Agenda to assist with Australia's COVID-19 economic recovery, including enhancing occupational mobility and the development of COVID-19 emergency response measures in relation to commercial tenancies to support business recovery.

Report from the Australian Local Government Association (ALGA)

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

Over the past decade, all state and territory governments have implemented programs and policies to assist councils to focus on long-term financial and asset management practices. This is in line with agreements made by the Local Government and Planning Ministers Council in the mid-2000s.

In 2019–20, local governments' non-financial assets including roads, community infrastructure such as buildings, facilities, airports, water, and sewerage (in some states) including land, was valued at \$479.263 billion (ABS Government Finance Statistics, Annual 2019–20, April 2021). Many of these assets have been accumulated over decades, sometimes with state/territory or Commonwealth capital assistance and without additional funding to address life-cycle costs.

Local governments' revenue in 2019–20 was in the order of \$49.061 billion, and given the significant level of assets under management, councils face considerable difficulties in maintaining and renewing these assets at the same time as providing the other services that are expected by local and regional communities and other levels of governments.

To develop a better national understanding of local governments' non-financial assets and to monitor progress, ALGA commissioned TechnologyOne Strategic Asset Management to develop the 2018 State of the Assets Report. This report estimated that the replacement cost of land and fixed assets supporting the various economic (e.g. roads, buildings, water supply etc.) and social services (e.g. health, welfare services etc.) provided by local government is in the order of \$426 billion as reported at the end of June 2017. The greatest proportion of infrastructure assets by value is Roads (Sealed and Unsealed pavements) at 39 per cent.

The 2018 State of the Assets Report estimated an infrastructure renewal backlog of around \$30 billion. This exceeds the funding capacity of the local government sector under current revenue arrangements. Councils also estimate \$24 billion of current infrastructure value has poor capacity. The actual upgrade cost of substandard infrastructure is likely to be up to five times that value.

During 2019–20, ALGA commissioned the Institute of Public Works Engineering Australasia (IPWEA) to undertake an update of the 2018 National State of the Assets Report which includes a survey of all local governments. This updated report will be released in 2020–21.

The most recent ABS statistics (ABS Government Finance Statistics, Annual 2019–20, April 2021) state that the three highest levels of local government expenditure in 2019–20 are in aggregate: \$9.18 billion on General Public Services; \$8.42 billion on Transport; and \$6.74 billion on Recreation, Culture and Religion. The transport expenditure includes federal Roads to Recovery funding of \$499.6 million in the 2019–20 Budget.

Local roads make up around 75 per cent of the national road network (by length) and service every Australian and business. ALGA continues to work with the Transport and Infrastructure Council and all jurisdictions on road reform including independent price regulation, a forward-looking cost base, community service obligations, heavy vehicle charging, assets management, data standard pilots and piloting local council asset registers that will inform road user charging and heavy vehicle reform, essential for increased national productivity.

The issue of road user charging is becoming increasingly important as developments in motor vehicle technology, particularly improvements in fuel efficiency and the move to electric vehicles and autonomous vehicles, gather pace. At the same time, fiscal constraints on meeting the required level of capital investment for roads have led to increased focus on improved transparency around road expenditure, investment, and service delivery.

Some of the challenges facing the local government road network include:

- first and last mile capacity for efficient delivery of freight
- road safety especially on rural roads
- the relatively rapid growth of total government road related expenditure costs
- the unsustainable reliance on intergovernmental transfers for road funding which themselves rely on unsustainable road taxes and charges
- the competing funding pressures from other government services
- the need for road investment to reflect more clearly whole of life costs and road user needs, particularly to accommodate larger and heavier, high productivity heavy vehicles.

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

At the national level there are no overarching systems in place to collect, analyse and compare performance measures across the 537 local councils in Australia. Any performance measures that are in place are currently established and managed by state and territory governments with different methodologies. In the late 1990s Local Government Ministers considered such a system and agreed that it was not feasible, given the significant variation of services across states and territories.

ALGA supports the availability of accurate, timely and consistent data to enable evidence-based research, planning, and outcomes. This approach has also been confirmed in many Parliamentary research reports in recent years.

The collation and harmonisation of data for any comparative performance measures should be from existing data sets and not become an additional compliance and administrative burden on councils that are already providing considerable data to state and territory government agencies and grants commissions.

Reforms undertaken during 2019–20 to improve the efficiency and effectiveness of local government service delivery

ALGA and its state and territory associations strongly support regional collaboration and shared services. State and territory governments over the past 25 years have pursued policies of amalgamation including in Victoria, Queensland, and New South Wales, and a failed attempt at metropolitan amalgamations in Western Australia. In recent years, there has also been a substantial change to the structure of local government in the Northern Territory. ALGA opposes forced council amalgamations as a demonstrably failed policy.

Councils and communities around Australia are embracing new technologies. Councils are providing free Wi-Fi, communicating, and consulting through online forums and social media, and developing more sophisticated websites and mobile apps to enhance service provision to their communities. However, councils are at very different stages of the journey, and digital transformation is by no means uniform across councils.

For local government there are some significant gains from coordinated approaches to Information Communication Technology (ICT), many of which State/Territory Associations are already leveraging. These include shared ICT and shared services, coordinated/joint procurement and the sharing of knowledge and approaches that deliver greater efficiency. Data captured representing communities' concerns and ideas, desired amenities and suggestions for development, paired with more effective, automated analysis, could facilitate an unprecedented level of open engagement between citizens and government.

Some councils were signatories to the federal Government's City or Regional Deals which facilitate a partnership between the three levels of government to work towards a shared vision for a place, town, or region. During 2019–20, these deals were being implemented. The City and Regional Deal model provides greater coordination, certainty and efficiency of infrastructure provision.

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

ALGA is working cooperatively with stakeholders to work towards developing the National Closing the Gap Agreement. Local governments undertake a range of important work and services with urban, regional, and remote Aboriginal and Torres Strait Islander communities.

As the level of government closest to the people, local government plays an essential role in supporting and helping to steer the development of policies and programs in partnership with local Indigenous peoples. Local governments can support skill development, local jobs and business opportunities for Indigenous people and communities.

Over the past decade, ALGA's engagement on Indigenous issues was primarily focused on the Council of Australian Government (COAG) and relevant Ministerial Councils. Issues that were progressed by COAG included:

- Closing the Gap, including health and education
- the National Partnership Agreement on Remote Indigenous Housing (NPARIH)
- Indigenous economic advancement, including employment and procurement, investigations into Indigenous land administration and use, and community safety.

Within these processes, ALGA's primary role has been to:

- advocate to ensure that Commonwealth-State intergovernmental arrangements take account of local government issues
- advocate that state and territory local government associations be consulted in the development and implementation of relevant policies.

While local governments have general responsibilities for the provision of local services and infrastructure to all Australians including Aboriginal and Torres Strait Islanders⁵, generally the Commonwealth and states and territories have the primary responsibility for the provision (and funding) of government services and infrastructure to Indigenous people and Indigenous communities, particularly remote Indigenous communities.

⁵ Broadly by definition, councils have a responsibility for the provision of local government services and infrastructure in Indigenous communities, but this is limited to the extent that they are empowered and resourced by state and territory governments.

In particular, many remote Aboriginal and Torres Strait Islander local governments in WA, NT, Qld, and SA rely on the support, for housing and infrastructure, delivered under the National Partnership Agreement on Remote Indigenous Housing (NPARIH). The NPARIH is a Commonwealth and State/Territory Agreement which was signed in 2008 and which expired in 2016.

A National Partnership Agreement on Remote Indigenous Housing with the NT Government committed \$110 million each year for four years from 2018–19. However, ALGA remains concerned that the continuation of this Agreement is not assured across all jurisdictions and has called for this critical partnership agreement to be renewed with adequate funding and long-term certainty.

In Queensland alone, this agreement is estimated to have created more than 400 local jobs including around 100 apprentices and, in these communities, few alternative jobs exist. Any reduction in funding will create significant economic losses and employment for neighbouring council communities which supply construction materials and associated professional support for housing construction. There would also be negative social consequences associated with overcrowding and unemployment including less youth participation in education, a rise in juvenile crime, a rise in domestic and family violence, and a rise in general social unrest in the communities.

Appendix C

Comparison of distribution models

Each year jurisdictions are asked to report on their distribution models and methods used to allocate funding to local governing bodies. Below is a summary of the information provided by each jurisdiction in relation to the reporting requirements of the Act. The information provided by each jurisdiction is in Appendix B.

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 grant among councils and a separate model for allocating the local road grant. This appendix provides a comparison of the approaches the grants commissions used for determining 2019–20 allocations.

General purpose component

In allocating the general purpose grant 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 grant 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 2, 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 grant 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 pages.

Allocating on a horizontal equalisation basis

An allocation on a horizontal equalisation basis is defined in section 6 of the Act.

More specifically, according to subsection 6(3) horizontal equalisation:

- (a) ensures that each local governing body in a State [or Northern 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 Northern Territory]; and
- (b) 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 actually 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, Local Government Grants 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 40 below shows the type of distribution model used by each commission.

Table 40 *Distribution models used for general purpose grants for 2019–20 allocations*

State	Model used
NSW	Direct assessment model
Vic	Balanced budget model
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.

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 assessing 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. The following table shows the differences in the scope of equalisation of the commissions.

Table 41 Scope of equalisation in commissions' models for general purpose grants

Expenditure function	NSW	Vic	Qld	WA	SA	Tas	NT
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	N/A	No
Sewerage	No	No	No	No	No	N/A	No
Electricity	No	No	No	No	No	N/A	No
Capital	No	No	No	No	No	No	No
Depreciation	Yes	Yes	Yes	Yes	Yes	Yes	No
Debt servicing	No	Yes	No	Yes	No	Yes	No
Entrepreneurial activity	No	No	No	No	No	Yes	No
Agency arrangements	No	No	No	No	No	No	No
Revenue function							
Rate revenue	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Operation subsidies	No	No	Yes	Yes	Yes	Yes	Yes
Garbage charges	No	Yes	Yes	Yes	Yes	Yes	Yes
Water charges	No	No	No	No	No	N/A	No
Sewerage charges	No	No	No	No	No	N/A	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

Notes: Functions for which a 'Yes' is provided above are not necessarily separately assessed by the relevant Local Government Grants 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.

N/A = not applicable.

Source: Information provided by Local Government Grants Commissions in each state and the Northern 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 the relative economic strength of local areas. 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).

Separate calculations are made for urban and non-urban properties. This reflected a concern 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. This issue was discussed with the Australian Government and the agreed principles provide that 'revenue allowances may be discounted to achieve equilibrium with the expenditure allowances'. As a result, 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.

For each council, **Victoria** calculates a raw grant, which is determined by subtracting the council's standardised revenue from its standardised expenditure. A council's standardised revenue is intended to reflect its capacity to raise revenue from its community and, in the case of standardised rates 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 over three years. The payments in lieu of rates received by some councils for major facilities, such as power generating plants 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 four-year average of valuation data.

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.

Queensland uses the revenue categories of: rates; garbage charges; fees and charges; and other grants and subsidies. Queensland's rating assessment has remained as follows: the total Queensland rate revenue is divided by the total land valuation for Queensland. This derives a cent in the dollar average, which is then multiplied by the total land valuation of each council. This is then adjusted, to allow for each council's capacity to raise rates, using an Australian Bureau of Statistics product, the Socio-Economic Indexes for Areas (SEIFA). The methodology uses three of the indices: Index of Relative Socio-Economic Advantage and Disadvantage (SEIFA 2); Index of Economic Resources (SEIFA 3); and Index of Education and Occupation (SEIFA 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.

In **Western Australia**, an average standard is calculated based on actual revenues in five revenue categories and then applied to key data to generate revenue assessments for each local government. The categories are: 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. Its 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 a revenue relativity index for the council, and those for the state as a whole, and multiplying this back by the council's population. 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. Councils that are assessed to have a negative standardised deficit (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 component.

In the **Northern Territory**, the methodology calculates standards by applying cost adjusters 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. For most local governments, the assessed expenditure needs exceed the assessed revenue capacity, meaning there is an assessed need. In four cases in the Northern Territory, assessed revenue capacity is greater than assessed expenditure need, meaning that there is no assessed need.

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.

Other grants support – National Principle

The fourth National Principle for the general purpose grants (National Principle A4) 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.

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.

The following table provides details on the grants included by commissions in allocating the general purpose component in 2019–20.

Table 42 Grants treated by inclusion for 2019–20 by jurisdiction

State	Grants treated by inclusion in general purpose allocations
NSW	Local road grant and library grant. Expenditure allowances for services are discounted, where appropriate, to recognise the contribution of specific purpose grants.
Vic	All Australian and State Government recurrent grants including each council's local road grant and Roads to Recovery program grant. Net standardised expenditure has been obtained for each expenditure function by subtracting standardised grant support from gross standardised expenditure.
Qld	Grants relevant to the expenditure categories are: previous year's local roads component (50 per cent); Queensland Government Financial Aid (Indigenous councils only – 20 per cent); and the minimum grant component of the previous year's general purpose component of the Financial Assistance Grant program (100 per cent).
WA	Other grants are included with other revenues and are netted from expenditure. This reduces the expenditure total of each function by the total amount of available grants. Consistent with natural weighting, Western Australia's assessments are scaled to the actual amount of total revenue and total expenditure.
SA	Subsidies such as those for library services and the local road grants are included in the revenue assessments for councils.
Tas	In Tasmania, Other Financial Support (OFS) receipts that meet the criteria for inclusion, in accordance with the requirement to apply National Principle 4 on Other Grant Support, are included in the calculation of a council's revenue capacity.
NT	The Northern Territory includes funding from the Roads to Recovery program (50 per cent of the grant), library and local roads grants, which are recognised in the revenue component of the methodology.

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 next section below.

New South Wales has calculated expenditure allowances based on six council services. These services are: 'recreation and cultural', 'administration and governance', 'community and amenity', 'community services and education', 'roads bridges and footpaths', and 'public order, safety, health, and other'. An additional allowance is calculated for councils outside the Sydney statistical division that recognises their isolation. A pensioner rebate allowance is calculated which recognises that a council's share of pensioner rebates is a compulsory 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.

Generally, for each expenditure function, an allowance will be determined using recurrent cost.

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.

This year, 2019–20, is the second year of a transition period to a revised model. The transition has been entered into to smooth the impact of changing grant outcomes. The current transition approach is to apply a 5 per cent upper limit on increases and a zero per cent lower limit on a council's previous general purpose component. No council is receiving a decrease during the transition.

In **Victoria**, the standardised expenditure is calculated for each council on the basis of nine expenditure functions. Between them, these expenditure functions include all council recurrent expenditure. The Victorian 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 model matches the pattern of actual council expenditure. For five expenditure functions (governance; recreation and culture; traffic and street management; environment; and business and economic services), a modified 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 state average are assumed to have a population higher than the census-based estimate. For example, for the governance expenditure function, councils with a population of less than 20,000 are deemed to have a population of 20,000.

Queensland includes nine service categories in its expenditure assessments: 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. Furthermore, Queensland applies a suite of cost adjusters to service categories.

Western Australia assesses the standard or average expenditure needs for each local government over six expenditure categories. These are governance; law, order and public safety; education, health and welfare; community amenities; recreation and culture; and transport. The standardised assessments for each local government are adjusted by cost adjusters which recognise the additional costs that individual local governments experience in the provision of services due to a range of causes.

South Australia 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 uses 20 expenditure categories including the local road categories.

Tasmania calculates its standardised expenditure by calculating the total state-wide spending for each expenditure category and the share of the total expenditure between councils on a per capita basis (standard expenditure), and then by applying cost adjusters to standard expenditure to reflect inherent cost advantages/disadvantages faced by individual councils in providing services.

Tasmania's base grant model cost adjusters include: absentee population; scale (admin); climate; scale (other); dispersion; tourism; isolation; unemployment; population decline; worker influx; and regional responsibility.

In the **Northern Territory**, the assessment of standard expenditure is based on the 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 currently uses nine expenditure categories in accordance with the Australian Bureau of Statistics Local Government Purpose Classifications.

Assessing local road expenditure needs under the general purpose grants

As part of the expenditure needs assessment to determine the general purpose allocation, commissions also assess each council's local road needs. The main features of the models that the commissions use to assess local road needs and determine the general purpose allocations in 2019–20 are discussed below.

The **New South Wales** method of allocating the local road component is based on a formula developed by the New South Wales roads authority. The formula uses councils' proportions of the state's population, local road length and bridge length.

Victoria's formula for allocating local roads grants 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 includes 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 council's road network, including bridges and hydraulics. Allowances are given for heavy vehicles, which increase the road usage, increasing a council's road expenditure amount.

Western Australia calculates the local road component using the asset preservation model, which has been in place since 1992. The 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.

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.

In **Tasmania**, standardised road expenditure for the base grant equalisation model is calculated by redistributing the total state-wide road expenditure (net of any operational OFS receipts) based on each council's relative share of the distribution of the road grant as calculated by the Road Preservation Model (RPM).

To determine the local road grant, the **Northern Territory** applies a weighting to each council by road length and surface type. These weightings are: 27.0 for sealed, 12.0 for gravel, 10.0 for cycle paths, 7.0 for formed and 1.0 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 (National Principle A5) 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.

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**, services to Aboriginal communities are considered as part of the expenditure allowances through the use of a cost adjustor for Indigeneity. The methodology also considers the needs of Aboriginal communities with regard to their access and internal local roads needs in the distribution of the local road component.

Victoria includes a cost adjustor that reflects the Indigenous population when calculating the general purpose component of allocations to councils.

Queensland applies a cost adjustor for:

- location – this 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 – this 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 – this 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.

Western Australia applies an Indigenous factor as a cost adjustor for most of its expenditure standards in its calculation of general purpose grants and considers Indigenous population data from the Australian Bureau of Statistics when calculating the cost adjustors applied to the expenditure standard.

In **South Australia**, an expenditure function named Other Needs Assessments comprises commission determined relative expenditure needs of councils with respect to Aboriginal people. For local governing bodies outside the incorporated areas (the Outback Communities Authority and five Aboriginal Communities) allocations are made on a per capita basis due to the lack of comparable data.

In **Tasmania**, the States Grant Commission has formally investigated and considered the issue of how to recognise the needs of Aboriginal peoples and Torres Strait Islanders within council boundaries in its base grant assessment process. Based on both the Index of Relative Indigenous Socioeconomic Outcomes and advice provided by those councils with the highest proportion of their populations recognising as having Indigenous origin, the Commission has formally determined that no additional adjustments are needed, within Tasmania's base grant model methodologies, in order to account for the different needs of Aboriginal peoples and Torres Strait Islanders across municipalities in Tasmania.

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 (National Principle A6) 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.

In addition to complying with the other National Principles for the general purpose grant, grant 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.

No amalgamations occurred during 2019–20.

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, the difference being each council's raw general purpose grant.

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
- 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. National Principle A3 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/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.

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).

In Western Australia, the Grants Commission has been working to transition in adjustments to individual local government allocations so that local governments receiving an allocation above the minimum grant receive a grant that is as close as possible to the scaled back equalisation need. As part of this process, any local government that had a grant entitlement calculated to be less than 50 per cent of their equalisation need had their allocation lifted to 50 per cent of the equalisation need. The remaining local governments shared in the funding

remaining after these allocations were made, with their individual allocations being at least greater than 50 per cent of their equalisation need.

The Commission intends for all local governments in Western Australia in future years to receive a grant payment that is the greater value of their individual scaled back equalisation need and their minimum grant entitlement.

The amount of cash that finally ends up being paid in a financial year to a council for general purpose needs is its actual grant for that financial year for general purpose needs.

Most jurisdictions apply floors and ceilings (that is, limits) to the increases or decreases, in general purpose funding, which councils are granted in any one financial year over the previous financial year(s). This too can result in the need for some positive or negative feedback into the calculations of the final actual general purpose grants paid to councils within a particular jurisdiction in a particular financial year.

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 (National Principle B1):

... 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.

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 7 per cent and 15 per cent respectively for funding special road projects. Expert committees provide advice on the projects to be funded.

The following table summarises the main features of the models used by the commissions for allocating local road grants in 2019–20.

Table 43 Allocating local road grants in 2019–20

State	Features of the distribution model for allocating local road grants
NSW	<p>Initially, 27.54 per cent is distributed to local roads in urban areas and 72.46 per cent to local roads in rural areas.</p> <p>In urban areas, 5 per cent is distributed to individual councils on the basis of bridge length and the remaining 95 per cent is distributed to councils on the basis of road length and population.</p> <p>In rural areas, 7 per cent is distributed to individual councils on the basis of bridge length and 93 per cent is distributed to councils on the basis of road length and population.</p>
Vic	<p>Victoria's formula for allocating local roads grants 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 series of 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.</p>
Qld	<p>The commission calculates a total network cost for each council's local roads. The actual local roads grant is determined by applying the available funds in proportion to each council's calculated network cost.</p>
WA	<p>Western Australia recommends the distribution of the local road component using its asset preservation model.</p> <p>Under the arrangements approved for Western Australia, 7 per cent of the funds provided for local roads are 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. The 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.</p>
SA	<p>In South Australia, the identified local road grants are 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.</p> <p>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.</p> <p>Distribution of the special local road grants is based on recommendations from the Local Government Transport Advisory Panel. The Panel is responsible for assessing submissions, from the metropolitan local government group and regional associations, on local road projects of regional significance.</p>
Tas	<p>A Road Preservation Model (RPM) is used by the Commission to distribute the road grant amongst councils. The RPM assesses each council's share of the annualised cost for the whole of life preservation cost of council road, bridge and culvert assets in the State.</p> <p>The RPM uses three standard profiles, based on typical Tasmanian road characteristics, to categorise roads in Tasmania, as well as average costs to construct and maintain these roads over their typical lifetime. This is used to calculate the state average cost per kilometre, per annum, for councils to maintain their road networks. The three road types used in the assessment are Urban Sealed, Rural Sealed and Unsealed Roads.</p> <p>Cost adjustors and allowances are applied within the model to account for the relative cost advantages or disadvantages faced by councils in maintaining their roads. These cost adjustors include rainfall, terrain, traffic and remoteness. An urbanisation allowance is also applied to road lengths in recognised urban areas.</p> <p>The RPM calculates an assessed, annualised cost for each council to preserve its road network. The road grant is then distributed to councils based on their share of the total state-wide assessed, annual asset preservation costs.</p>
NT	<p>To determine the local road grant, the Northern Territory applies a weighting to each council by road length and surface type. These weightings are: 27.0 for sealed, 12.0 for gravel, 10.0 for cycle paths, 7.0 for formed and 1.0 for unformed. The general purpose location factor is also applied to recognise relative isolation.</p>

Source: Information provided by Local Government Grants Commissions.



Appendix D

Local governing body distribution in 2019–20

Appendix D shows the distribution of funding under the Financial Assistance Grant program and some basic information such as population, area in square kilometres and road length in kilometres for each local governing body in Australia.

The tables in this appendix show the actual total grant entitlement for 2019–20, which includes the bring forward from 2019–20 paid to councils in June 2019. The components of the Financial Assistance Grant program, including the general purpose grant and the local road grant, are also provided.

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 given in Appendix F.

To facilitate comparison, the general purpose grant per capita and the local road grant per kilometre are provided for 2019–20. These per capita and per kilometre amounts are for comparative reporting only. They are not the basis of the formula used by local government grant commissions to allocate the general purpose grant or local road grant to each council within a state or territory. Details of each jurisdiction's methodology can be found in Appendix B.

Councils receiving the minimum per capita grant in 2019–20 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.

Local governing bodies that are recipients of 'Special Works' funding in South Australia and Western Australia are identified by a superscript abbreviation (SW). Special Works funding is included in the total local road funding.

The source of the data is the relevant state or territory Local Government Grants Commission.

Table 44 Distribution to councils in New South Wales for 2019–20

New South Wales		2019–20 actual entitlement									
		Classification	Population Number	Council Area sq km	Road Length km	General Purpose \$	Local Road \$	Total \$	General Purpose \$ per capita	Min #	Local Road \$ per km
Albury City Council	URM	53,767	306	535	5,055,178	1,455,736	6,510,914	94.02		2,721.00	
Armistide Regional Council	URM	30,707	8,621	1,874	4,343,336	2,506,342	6,849,678	141.44		1,337.43	
Ballina Shire Council	URM	44,208	485	644	3,184,961	1,457,961	4,642,922	72.04		2,263.91	
Bairnald Shire Council	RAM	2,340	21,691	1,328	2,871,619	1,358,656	4,230,275	1,227.19		1,023.08	
Bathurst Regional Council	URM	43,206	3,818	1,155	4,458,542	2,040,494	6,499,036	103.19		1,766.66	
Bayside Council	UDV	174,378	50	339	3,669,616	1,175,779	4,845,395	21.04	#	3,468.37	
Bega Valley Shire Council	URM	34,348	6,279	1,157	5,248,273	1,986,950	7,235,223	152.80		1,717.33	
Bellingen Shire Council	RAV	12,963	1,600	555	2,920,744	970,272	3,891,016	225.31		1,748.24	
Berrigan Shire Council	RAL	8,707	2,066	1,278	3,481,208	1,434,735	4,915,943	399.82		1,122.64	
Blacktown City Council	UDV	366,534	240	1,351	13,379,948	3,532,046	16,911,994	36.50		2,614.39	
Bland Shire Council	RAL	5,985	8,558	2,907	4,779,390	3,016,558	7,795,948	798.56		1,037.69	
Blayney Shire Council	RAL	7,342	1,525	688	1,873,904	872,493	2,746,397	255.23		1,268.16	
Blue Mountains City Council	UFL	79,260	1,431	724	7,549,270	1,402,319	8,951,589	95.25		1,936.90	
Bogan Shire Council	RAM	2,621	14,600	1,371	2,801,174	1,486,105	4,287,279	1,068.74		1,083.96	
Bourke Shire Council	RAM	2,630	41,600	1,883	4,195,616	1,955,543	6,151,159	1,595.29		1,038.53	
Brewarrina Shire Council	RAS	1,655	19,164	1,272	2,913,975	1,337,892	4,251,867	1,760.71		1,051.80	
Burwood Council	UDM	39,886	7	82	846,124	274,967	1,121,091	21.21		3,353.26	
Byron Shire Council	URM	34,574	566	563	2,055,763	1,210,556	3,266,319	59.46		2,150.19	
Cabonne Shire Council	RAV	13,680	6,022	1,709	2,976,872	2,109,802	5,086,674	217.61		1,234.52	
Campbelltown City Council	UFV	168,139	312	718	8,203,066	1,856,908	10,059,974	48.79		2,586.22	
Canterbury-Bankstown Council	UDV	373,931	110	858	8,200,674	2,728,789	10,929,463	21.93		3,180.41	

Distribution to councils in New South Wales for 2019–20 (continued)

New South Wales		2019–20 actual entitlement									
		Classification	Population Number	Council Area sq km	Road Length km	General Purpose \$	Local Road \$	Total \$	General Purpose \$ per capita	Min #	Local Road \$ per km
Carrathool Shire Council	RAM	2,802	18,935	2,275	3,765,990	2,375,963	6,141,953	1,344.04		1,044.38	
Central Coast Council (NSW)	UFV	342,047	1,681	2,010	21,629,099	4,496,997	26,126,096	63.23		2,237.31	
Central Darling Shire Council	RTM	1,837	53,492	1,602	4,143,508	1,633,971	5,777,479	2,255.58		1,019.96	
Cessnock City Council	URM	59,101	1,965	927	5,601,015	1,768,564	7,369,579	94.77		1,907.84	
City of Canada Bay Council	UDL	95,159	20	189	2,002,529	654,296	2,656,825	21.04	#	3,461.88	
City of Lithgow Council	URS	21,636	4,512	882	3,588,823	1,298,688	4,887,511	165.87		1,472.44	
City of Parramatta Council	UDV	251,311	84	625	7,304,873	2,050,754	9,355,627	29.07		3,281.21	
Clarence Valley Council	URM	51,647	10,429	2,057	7,762,631	3,353,434	11,116,065	150.30		1,630.25	
Cobar Shire Council	RTL	4,722	45,579	1,693	4,202,103	1,769,679	5,971,782	889.90		1,045.29	
Coffs Harbour City Council	URL	76,551	1,174	797	5,356,825	2,268,795	7,625,620	69.98		2,846.67	
Coolamon Shire Council	RAM	4,368	2,431	1,192	2,505,952	1,258,854	3,764,806	573.71		1,056.09	
Coonamble Shire Council	RAM	4,014	9,916	1,393	2,715,359	1,515,707	4,231,066	676.47		1,088.09	
Cootamundra-Gundagai Regional Council	RAV	11,260	3,981	1,265	3,772,678	1,607,110	5,379,788	335.05		1,270.44	
Council of the City of Broken Hill	URS	17,734	170	211	4,466,977	503,448	4,970,425	251.89		2,386.01	
Council of the City of Ryde	UDV	127,446	41	308	2,681,978	962,468	3,644,446	21.04	#	3,124.90	
Council of the City of Shellharbour	URL	72,240	147	397	4,345,902	950,469	5,296,371	60.16		2,394.13	
Council of the Municipality of Woollahra	UDM	58,964	12	140	1,240,840	442,486	1,683,326	21.04	#	3,160.61	
Cowra Shire Council	RAV	12,767	2,809	1,197	3,298,535	1,488,512	4,787,047	258.36		1,243.54	
Cumberland Council	UDV	236,893	72	565	6,382,307	1,780,945	8,163,252	26.94		3,152.12	

Distribution to councils in New South Wales for 2019–20 (continued)

New South Wales		2019–20 actual entitlement									
		Classification	Population Number	Council Area sq km	Road Length km	General Purpose \$	Local Road \$	Total \$	General Purpose \$ per capita	Min #	Local Road \$ per km
Dubbo Regional Council	URM	53,240	7,535	2,477	8,163,688	3,440,433	11,604,121	153.34		1,388.95	
Dungog Shire Council	RAL	9,346	2,250	603	1,747,425	943,620	2,691,045	186.97		1,564.88	
Edward River Council	RAL	8,995	8,883	1,398	4,102,580	1,562,900	5,665,480	456.10		1,117.95	
Eurobodalla Shire Council	URM	38,288	3,428	945	5,448,589	1,697,416	7,146,005	142.31		1,796.21	
Fairfield City Council	UDV	210,612	102	610	7,398,025	1,755,172	9,153,197	35.13		2,877.33	
Federation Council	RAV	12,462	5,685	2,019	4,771,886	2,277,683	7,049,569	382.91		1,128.12	
Forbes Shire Council	RAL	9,910	4,710	1,745	3,585,613	1,994,333	5,579,946	361.82		1,142.88	
Georges River Council	UDV	158,411	38	383	3,333,606	1,168,859	4,502,465	21.04	#	3,051.85	
Gilgandra Council	RAM	4,226	4,832	1,241	2,621,338	1,379,637	4,000,975	620.29		1,111.71	
Glen Innes Severn Council	RAL	8,908	5,480	1,093	2,885,760	1,423,182	4,308,942	323.95		1,302.09	
Goulburn Mulwaree Council	URM	30,852	3,220	1,118	3,475,743	1,751,331	5,227,074	112.66		1,566.49	
Greater Hume Shire Council	RAV	10,686	5,750	1,786	3,358,222	2,112,902	5,471,124	314.26		1,183.04	
Griffith City Council	URS	26,882	1,639	1,246	4,017,649	1,684,089	5,701,738	149.45		1,351.60	
Gunnedah Shire Council	RAV	12,661	4,987	1,366	3,050,015	1,647,176	4,697,191	240.90		1,205.84	
Gwydir Shire Council	RAL	5,349	9,260	1,738	2,831,009	1,914,728	4,745,737	529.26		1,101.68	
Hawkesbury City Council	UFM	67,083	2,775	911	2,697,585	1,762,212	4,459,797	40.21		1,934.37	
Hay Shire Council	RAM	2,979	11,326	777	2,275,633	829,535	3,105,168	763.89		1,067.61	
Hilltops Council	RAV	18,782	7,141	2,437	5,369,485	2,861,315	8,230,800	285.88		1,174.11	
Hornsby Shire Council	UFV	150,752	455	561	3,172,469	1,411,342	4,583,811	21.04	#	2,515.76	
Hunter's Hill Council	UDS	14,909	6	61	330,581	150,458	481,039	22.17		2,466.52	
Inner West Council	UDV	198,024	35	424	4,167,224	1,386,285	5,553,509	21.04	#	3,269.54	

Distribution to councils in New South Wales for 2019–20 (continued)

New South Wales		2019–20 actual entitlement									
		Classification	Population Number	Council Area sq km	Road Length km	General Purpose \$	Local Road \$	Total \$	General Purpose \$ per capita	Min #	Local Road \$ per km
Inverell Shire Council	RAV	16,844	8,597	1,742	4,053,927	2,111,825	6,165,752	240.67		1,212.30	
Junee Shire Council	RAL	6,631	2,030	826	1,999,494	955,188	2,954,682	301.54		1,156.40	
Kempsey Shire Council	URS	29,665	3,376	1,068	4,345,928	1,898,768	6,244,696	146.50		1,777.87	
Kiama Municipal Council	URS	23,006	258	233	1,210,798	508,564	1,719,362	52.63		2,182.68	
Ku-Ring-Gai Council	UDV	126,046	85	440	2,652,516	1,144,019	3,796,535	21.04	#	2,600.04	
Kyogle Council	RAL	8,870	3,584	1,085	2,890,639	1,666,221	4,556,860	325.89		1,535.69	
Lachlan Council	RAL	6,151	14,964	3,339	5,952,783	3,470,684	9,423,467	967.77		1,039.44	
Lake Macquarie City Council	URV	204,914	649	1,309	13,661,353	2,845,636	16,506,989	66.67		2,173.90	
Lane Cove Municipal Council	UDM	39,486	11	93	837,700	292,694	1,130,394	21.22		3,147.25	
Leeton Shire Council	RAV	11,438	1,167	873	3,412,250	1,069,464	4,481,714	298.33		1,225.04	
Lismore City Council	URM	43,843	1,288	1,086	4,427,298	2,002,641	6,429,939	100.98		1,844.05	
Liverpool City Council	UDV	223,304	306	885	6,497,473	2,345,378	8,842,851	29.10		2,650.14	
Liverpool Plains Shire Council	RAL	7,893	5,082	1,195	2,484,792	1,414,114	3,898,906	314.81		1,183.36	
Lockhart Shire Council	RAM	3,295	2,896	1,217	2,290,751	1,381,741	3,672,492	695.22		1,135.37	
Lord Howe Island Board	RTX	382	16	0	223,188	0	223,188	584.26		0.00	
Maitland City Council	URL	83,203	392	679	5,705,030	1,430,384	7,135,414	68.57		2,106.60	
Mid-Coast Council	URL	93,288	10,054	3,247	12,678,352	5,514,351	18,192,703	135.91		1,698.29	
Mid-Western Regional Council	URS	25,086	8,752	1,930	4,199,929	2,504,770	6,704,699	167.42		1,297.81	
Moree Plains Shire Council	RAV	13,350	17,907	2,637	5,043,234	2,958,072	8,001,306	377.77		1,121.76	
Mosman Municipal Council	UDM	30,877	9	85	682,543	242,904	925,447	22.11		2,857.69	
Murray River Council	RAV	12,118	11,864	2,589	5,493,044	3,062,229	8,555,273	453.30		1,182.78	

Distribution to councils in New South Wales for 2019–20 (continued)

New South Wales		2019–20 actual entitlement									
		Classification	Population Number	Council Area sq km	Road Length km	General Purpose \$	Local Road \$	Total \$	General Purpose \$ per capita	Min #	Local Road \$ per km
Murrumbidgee Council	RAM	3,961	6,881	1,590	2,937,668	1,676,702	4,614,370	741.65		1,054.53	
Muswellbrook Shire Council	RAV	16,383	3,405	574	2,675,775	940,112	3,615,887	163.33		1,637.83	
Nambucca Valley Council	RAV	19,773	1,491	677	2,846,602	1,255,447	4,102,049	143.96		1,854.43	
Narrabri Shire Council	RAV	13,231	13,015	2,138	5,013,000	2,410,161	7,423,161	378.88		1,127.30	
Narrandera Shire Council	RAL	5,931	4,116	1,479	3,318,339	1,625,953	4,944,292	559.49		1,099.36	
Narramine Shire Council	RAL	6,567	5,262	1,369	3,032,800	1,483,217	4,516,017	461.82		1,083.43	
Newcastle City Council	URV	164,104	187	764	10,683,553	1,857,025	12,540,578	65.10		2,430.66	
North Sydney Council	UDL	74,172	11	143	1,560,878	494,360	2,055,238	21.04	#	3,457.06	
Northern Beaches Council	UDV	271,278	254	800	5,708,795	2,269,026	7,977,821	21.04	#	2,836.28	
Oberon Council	RAL	5,408	3,625	864	1,840,340	981,238	2,821,578	340.30		1,135.69	
Orange City Council	URM	42,056	284	466	3,544,142	1,194,976	4,739,118	84.27		2,564.33	
Parkes Shire Council	RAV	14,894	5,958	1,929	4,339,291	2,179,452	6,518,743	291.34		1,129.84	
Penrith City Council	UFV	209,210	405	1,035	8,485,511	2,478,813	10,964,324	40.56		2,394.99	
Port Macquarie Hastings Council	URL	83,131	3,682	1,254	6,435,151	3,012,176	9,447,327	77.41		2,402.05	
Port Stephens Council	URL	72,695	858	660	5,497,443	1,271,633	6,769,076	75.62		1,926.72	
Queanbeyan-Palerang Regional Council	URM	59,959	5,319	1,407	3,697,992	2,525,920	6,223,912	61.68		1,795.25	
Randwick City Council	UDV	154,265	36	277	3,246,358	1,001,261	4,247,619	21.04	#	3,614.66	
Richmond Valley Council	URS	23,399	3,047	996	3,592,976	1,630,188	5,223,164	153.55		1,636.73	
Shoalhaven City Council	URL	104,371	4,567	1,608	9,039,850	3,501,819	12,541,669	86.61		2,177.75	
Silverton Village Committee Incorporated	RTX	50	0	0	34,582	0	34,582	691.64		0.00	

Distribution to councils in New South Wales for 2019–20 (continued)

New South Wales			2019–20 actual entitlement							
Council Name	Classification	Population Number	Council Area sq km	Road Length km	General Purpose \$	Local Road \$	Total \$	General Purpose \$ per capita	Min #	Local Road \$ per km
Singleton Council	URS	23,422	4,893	784	2,504,761	1,326,282	3,831,043	106.94		1,691.69
Snowy Monaro Regional Council	URS	20,733	15,164	2,344	6,892,297	2,858,251	9,750,548	332.43		1,219.39
Snowy Valleys Council	RAV	14,532	8,959	1,026	4,443,862	1,426,920	5,870,782	305.80		1,390.76
Strathfield Municipal Council	UDM	45,143	14	86	949,991	304,593	1,254,584	21.04	#	3,541.78
Sutherland Shire Council	UDV	229,213	334	802	4,823,566	2,079,825	6,903,391	21.04	#	2,593.30
Tamworth Regional Council	URM	62,156	9,884	2,941	6,337,550	4,346,854	10,684,404	101.96		1,478.02
Temora Shire Council	RAL	6,274	2,802	1,239	2,369,832	1,349,223	3,719,055	377.72		1,088.96
Tenterfield Shire Council	RAL	6,638	7,323	1,449	3,268,188	1,703,364	4,971,552	492.35		1,175.54
The Council of Camden	UFL	94,159	201	678	2,424,627	1,533,234	3,957,861	25.75		2,261.41
The Council of the City of Sydney	UCC	240,229	27	297	5,055,387	1,414,790	6,470,177	21.04	#	4,763.60
The Hills Shire Council	UFV	172,473	386	856	3,629,570	1,966,633	5,596,203	21.04	#	2,297.47
Tibooburra Village Committee Incorporated	RTX	134	0	0	77,657	0	77,657	579.53		0.00
Tweed Shire Council	URL	96,108	1,308	1,106	7,883,339	2,974,674	10,858,013	82.03		2,689.58
Upper Hunter Shire Council	RAV	14,220	8,096	1,581	3,166,506	2,005,881	5,172,387	222.68		1,268.74
Upper Lachlan Shire Council	RAL	7,961	7,127	1,734	2,920,877	1,962,811	4,883,688	366.90		1,131.96
Uralla Shire Council	RAL	6,062	3,227	792	1,674,841	970,997	2,645,838	276.29		1,226.01
Wagga Wagga City Council	URM	64,820	4,825	2,120	7,134,874	3,352,868	10,487,742	110.07		1,581.54
Walcha Council	RAM	3,132	6,261	822	1,465,624	971,008	2,436,632	467.95		1,181.27
Walgett Shire Council	RAL	6,051	22,308	1,814	4,589,788	2,012,143	6,601,931	758.52		1,109.23

Distribution to councils in New South Wales for 2019–20 (continued)

New South Wales			2019–20 actual entitlement							
Council Name	Classification	Population Number	Council Area sq km	Road Length km	General Purpose \$	Local Road \$	Total \$	General Purpose \$ per capita	Min #	Local Road \$ per km
Warrumbungle Shire Council	RAL	9,399	12,372	2,276	4,770,215	2,532,614	7,302,829	507.52		1,112.75
Waverley Council	UDL	74,114	9	113	1,559,657	450,430	2,010,087	21.04	#	3,986.11
Weddin Shire Council	RAM	3,636	3,415	957	1,792,406	1,036,526	2,828,932	492.96		1,083.10
Wentworth Shire Council	RAL	7,042	26,256	1,945	4,294,038	2,085,567	6,379,605	609.78		1,072.27
Willoughby City Council	UDL	80,339	22	199	1,690,657	605,933	2,296,590	21.04	#	3,044.89
Wingecarribee Shire Council	URM	50,493	2,689	1,059	3,248,470	1,946,687	5,195,157	64.34		1,838.23
Wollondilly Shire Council	UFM	52,230	2,555	740	2,431,857	1,412,366	3,844,223	46.56		1,908.60
Wollongong City Council	URV	216,071	684	964	16,398,928	2,501,267	18,900,195	75.90		2,594.68
Yass Valley Council	RAV	16,953	3,995	1,067	1,750,873	1,402,682	3,153,555	103.28		1,314.60

Notes:

a population estimates provided by the Local Government Grants Commission in each state and the Northern Territory.

* Indigenous local governing body

minimum grant

Table 45 Distribution to councils in Victoria for 2019–20

Council Name	Classification	Population Number	Council Area sq km	Road Length km	2019–20 actual entitlement					
					General Purpose \$	Local Road \$	Total \$	General Purpose \$ per capita	Min #	Local Road \$ per km
Alpine Shire	RAV	13,202	4,788	859	2,821,012	1,115,012	3,936,024	213.68		1,298.03
Ararat Rural City Council	RAV	11,795	4,211	2,414	3,821,122	2,287,213	6,108,335	323.96		947.48
Ballarat City Council	URL	107,325	739	1,417	11,101,297	2,422,176	13,523,473	103.44		1,709.37
Banyule City Council	UDV	130,237	63	545	2,741,676	968,663	3,710,339	21.05	#	1,777.36
Bass Coast Shire Council	UFM	35,327	866	935	4,904,160	1,456,788	6,360,948	138.82		1,558.06
Baw Shire Council	URM	52,111	4,028	2,004	6,637,362	2,835,320	9,472,682	127.37		1,414.83
Bayside City Council	UDL	105,718	37	355	2,225,516	582,194	2,807,710	21.05	#	1,639.98
Benalla Rural City Council	RAV	14,024	2,353	1,335	2,789,063	1,509,394	4,298,457	198.88		1,130.63
Borough of Queenscliffe	UFS	2,982	9	43	424,336	59,923	484,259	142.30		1,393.56
Brimbank City Council	UDV	208,714	123	894	12,437,359	1,777,690	14,215,049	59.59		1,988.47
Buloke Shire Council	RAL	6,184	8,000	5,313	4,089,309	2,510,897	6,600,206	661.27		472.59
Campaspe Shire Council	URM	37,592	4,519	4,054	7,931,331	4,140,157	12,071,488	210.98		1,021.25
Cardinia Shire Council	UFL	107,120	1,283	1,541	9,200,616	2,680,759	11,881,375	85.89		1,739.62
Casey City Council	UDV	340,419	409	1,711	17,943,420	2,654,180	20,597,600	52.71		1,551.24
Central Goldfields Shire Council	RAV	13,209	1,532	1,279	2,872,964	1,240,649	4,113,613	217.50		970.01
City of Boroondara	UDV	181,289	60	561	3,816,394	932,013	4,748,407	21.05	#	1,661.34
City of Darebin	UDV	161,609	54	514	3,402,102	904,760	4,306,862	21.05	#	1,760.23
City of Glen Eira	UDV	153,858	39	483	3,238,932	665,006	3,903,938	21.05	#	1,376.82
City of Greater Dandenong	UDV	166,094	129	688	10,419,483	1,606,041	12,025,524	62.73		2,334.36
City of Greater Geelong	URV	252,217	1,248	2,230	18,402,471	3,480,126	21,882,597	72.96		1,560.59

Distribution to councils in Victoria for 2019–20 (continued)

Victoria		2019–20 actual entitlement									
		Classification	Population Number	Council Area sq km	Road Length km	General Purpose \$	Local Road \$	Total \$	General Purpose \$ per capita	Min #	Local Road \$ per km
City of Knox	UDV	163,203	114	724	6,362,553	1,152,039	7,514,592	38.99		1,591.21	
City of Maribyrnong	UDL	91,387	31	305	2,168,637	601,028	2,769,665	23.73		1,970.58	
City of Port Phillip	UDL	113,200	21	215	2,383,023	436,976	2,819,999	21.05	#	2,032.45	
City of Whittlesea	UFV	223,322	490	1,232	12,610,384	2,215,151	14,825,535	56.47		1,798.01	
Colac Otway Shire	URS	21,503	3,438	1,628	4,226,906	2,688,477	6,915,383	196.57		1,651.40	
Corangamite Shire Council	RAV	16,140	4,408	2,368	4,710,926	3,593,180	8,304,106	291.88		1,517.39	
East Gippsland Shire Council	URM	46,818	20,940	2,968	10,817,768	4,693,113	15,510,881	231.06		1,581.24	
Frankston City Council	UDV	141,845	130	704	7,334,090	1,162,134	8,496,224	51.70		1,650.76	
Gannawarra Shire Council	RAV	10,547	3,735	2,270	3,695,781	2,076,739	5,772,520	350.41		914.86	
Glenelg Shire Council	RAV	19,665	6,219	2,629	4,914,658	3,548,791	8,463,449	249.92		1,349.86	
Golden Plains Shire Council	UFS	23,120	2,703	1,859	3,842,322	2,097,539	5,939,861	166.19		1,128.32	
Greater Bendigo City Council	URL	116,045	3,000	3,119	13,613,303	3,545,051	17,158,354	117.31		1,136.60	
Greater Shepparton City Council	URM	66,007	2,422	2,519	9,671,231	3,186,479	12,857,710	146.52		1,265.12	
Hepburn Shire Council	RAV	15,812	1,473	1,503	3,477,202	1,592,557	5,069,759	219.91		1,059.59	
Hindmarsh Shire Council	RAL	5,645	7,524	3,177	3,157,220	1,696,355	4,853,575	559.29		533.95	
Hobsons Bay City Council	UDL	96,470	64	432	2,030,833	748,936	2,779,769	21.05	#	1,733.65	
Horsham Rural City Council	RAV	19,875	4,267	2,974	4,241,524	2,240,034	6,481,558	213.41		753.21	
Hume City Council	UFV	224,394	504	1,312	13,745,852	2,604,480	16,350,332	61.26		1,985.12	
Indigo Shire Council	RAV	16,490	2,040	1,562	3,195,588	1,689,331	4,884,919	193.79		1,081.52	
Kingston City Council	UDV	163,431	91	616	3,440,457	1,083,063	4,523,520	21.05	#	1,758.22	
Lalor City Council	URL	75,211	1,426	1,588	9,654,576	2,675,755	12,330,331	128.37		1,684.98	

Distribution to councils in Victoria for 2019–20 (continued)

Council Name	Classification	Population Number	Council Area sq km	Road Length km	2019–20 actual entitlement					
					General Purpose \$	Local Road \$	Total \$	General Purpose \$ per capita	Min #	Local Road \$ per km
Loddon Shire Council	RAL	7,513	6,696	4,718	5,396,989	3,751,284	9,148,273	718.35		795.10
Macedon Ranges Shire Council	URM	49,388	1,748	1,635	5,718,102	2,371,274	8,089,376	115.78		1,450.32
Manningham City Council	UDV	125,508	113	605	2,642,123	849,451	3,491,574	21.05	#	1,404.05
Mansfield Shire Council	RAL	9,253	3,844	814	2,234,636	931,736	3,166,372	241.50		1,144.64
Maroondah City Council	UDL	117,498	61	484	4,082,973	797,649	4,880,622	34.75		1,648.04
Melbourne City Council (City of Melbourne)	UCC	169,961	37	241	3,577,923	735,641	4,313,564	21.05	#	3,052.45
Melton City Council	UFV	156,713	528	1,125	14,289,284	2,128,525	16,417,809	91.18		1,892.02
Mildura Rural City Council	URM	55,515	22,083	5,218	11,519,040	4,249,714	15,768,754	207.49		814.43
Mitchell Shire Council	URM	44,299	2,862	1,852	5,914,146	1,949,790	7,863,936	133.51		1,052.80
Moira Shire Council	URS	29,799	4,046	3,648	7,268,378	3,988,838	11,257,216	243.91		1,093.43
Monash City Council	UDV	200,077	82	736	4,211,908	1,265,859	5,477,767	21.05	#	1,719.92
Moonee Valley City Council	UDV	127,883	43	421	2,692,121	723,689	3,415,810	21.05	#	1,718.98
Moorabool Shire Council	URM	34,158	2,111	1,522	4,647,401	2,005,297	6,652,698	136.06		1,317.54
Moreland City Council	UDV	181,725	51	521	3,958,905	955,465	4,914,370	21.79		1,833.91
Mornington Peninsula Shire Council	UFV	165,822	724	1,702	3,490,792	2,532,243	6,023,035	21.05	#	1,487.80
Mount Alexander Shire Council	RAV	19,514	1,530	1,429	3,441,780	1,752,975	5,194,755	176.37		1,226.71
Murrindindi Shire Council	RAV	14,478	3,880	1,199	3,129,879	1,712,089	4,841,968	216.18		1,427.93
Nillumbik Shire Council	UFM	64,941	432	772	1,988,871	1,166,467	3,155,338	30.63		1,510.97
Northern Grampians Shire Council	RAV	11,431	5,730	3,426	4,867,392	2,940,807	7,808,199	425.81		858.38
Pyrenees Shire Council	RAL	7,353	3,435	2,036	3,470,097	2,189,387	5,659,484	471.93		1,075.34

Distribution to councils in Victoria for 2019–20 (continued)

Victoria		2019–20 actual entitlement									
		Classification	Population Number	Council Area sq km	Road Length km	General Purpose \$	Local Road \$	Total \$	General Purpose \$ per capita	Min #	Local Road \$ per km
Shire of Moyne	RAV	16,887	5,482	2,748	4,718,094	4,216,983	8,935,077	279.39		1,534.56	
Shire of Strathbogie	RAV	10,645	3,303	2,204	3,382,236	2,244,650	5,626,886	317.73		1,018.44	
Shire of Towong	RAL	6,054	6,675	1,183	3,144,786	1,830,447	4,975,233	519.46		1,547.29	
South Gippsland Shire Council	URS	29,576	3,296	2,100	6,378,189	3,841,907	10,220,096	215.65		1,829.48	
Southern Grampians Shire Council	RAV	16,135	6,654	2,988	4,652,864	3,115,940	7,768,804	288.37		1,042.82	
Stonnington City Council	UDL	116,207	26	309	2,446,324	466,955	2,913,279	21.05	#	1,511.18	
Surf Coast Shire	UFM	32,251	1,553	1,114	2,972,677	1,657,287	4,629,964	92.17		1,487.69	
Swan Hill Rural City Council	URS	20,759	6,115	3,508	4,744,658	2,252,784	6,997,442	228.56		642.18	
Wangaratta Rural City Council	URS	29,087	3,645	1,962	4,991,088	2,450,030	7,441,118	171.59		1,248.74	
Warrambool City Council	URM	34,862	121	335	3,244,798	665,271	3,910,069	93.08		1,985.88	
Wellington Shire Council	URM	44,019	10,817	3,031	9,270,985	4,958,798	14,229,783	210.61		1,636.03	
West Wimmera Shire Council	RAM	3,862	9,108	2,809	3,688,991	2,398,276	6,087,267	955.20		853.78	
Whitehorse City Council	UDV	176,196	64	634	3,709,179	1,054,707	4,763,886	21.05	#	1,663.58	
Wodonga City Council	URM	41,429	433	483	4,430,674	774,461	5,205,135	106.95		1,603.44	
Wyndham City Council	UFV	255,322	542	1,516	15,844,429	2,470,243	18,314,672	62.06		1,629.45	
Yarra City Council	UDL	98,521	20	215	2,074,008	407,083	2,481,091	21.05	#	1,893.41	
Yarra Ranges Shire Council	UFV	158,173	2,468	1,756	11,125,220	3,356,213	14,481,433	70.34		1,911.28	
Yarriambiack Shire Council	RAL	6,658	7,326	4,938	3,474,993	2,076,460	5,551,453	521.93		420.51	

Notes:

a population estimates provided by the Local Government Grants Commission in each state and the Northern Territory.

* Indigenous local governing body

minimum grant

Table 46 Distribution to councils in Queensland for 2019–20

Queensland		2019–20 actual entitlement									
		Classification	Population Number	Council Area sq km	Road Length km	General Purpose \$	Local Road \$	Total \$	General Purpose \$ per capita	Min #	Local Road \$ per km
Aurukun Shire Council*	RTM	1,382	7,424	102	2,149,484	77,141	2,226,625	1,555.34		756.28	
Balonne Shire Council	RAM	4,334	31,104	2,605	4,190,198	1,635,259	5,825,457	966.82		627.74	
Banana Shire Council	RAV	14,291	28,550	3,990	4,853,316	2,587,443	7,440,759	339.61		648.48	
Barcardine Regional Council	RTM	2,852	53,383	2,986	5,705,675	1,851,542	7,557,217	2,000.59		620.07	
Barcoo Shire Council	RTX	267	61,830	1,650	2,842,043	1,008,965	3,851,008	10,644.36		611.49	
Blackall-Tambo Regional Council	RTM	1,863	30,537	1,867	3,102,691	1,158,543	4,261,234	1,665.43		620.54	
Boulia Shire Council	RTS	425	60,906	1,329	2,331,388	814,947	3,146,335	5,485.62		613.20	
Brisbane City Council	UCC	1,231,605	1,343	5,751	25,942,714	16,826,878	42,769,592	21.06	#	2,925.90	
Bulloo Shire Council	RTX	330	73,724	1,990	5,879,292	1,216,961	7,096,253	17,816.04		611.54	
Bundaberg Regional Council	URL	95,302	6,431	3,059	5,575,775	2,895,933	8,471,708	58.51		946.69	
Burdekin Shire Council	RAV	17,077	5,044	1,150	2,640,748	885,900	3,526,648	154.64		770.35	
Burke Shire Council	RTX	352	39,684	713	2,695,231	438,555	3,133,786	7,656.91		615.08	
Cairns Regional Council	URV	165,525	1,689	1,342	3,486,643	2,608,487	6,095,130	21.06	#	1,943.73	
Carpentaria Shire Council	RTM	1,974	64,121	1,673	4,065,452	1,041,452	5,106,904	2,059.50		622.51	
Cassowary Coast Regional Council	URS	29,689	4,688	1,203	2,779,379	1,054,620	3,833,999	93.62		876.66	
Central Highlands Regional Council	URS	28,645	59,835	4,574	6,784,775	3,098,778	9,883,553	236.86		677.48	
Charters Towers Regional Council	RAV	11,850	68,382	3,784	4,004,229	2,435,436	6,439,665	337.91		643.61	
Cherbourg Aboriginal Shire Council*	RTM	1,315	32	71	633,968	57,514	691,482	482.10		810.06	

Distribution to councils in Queensland for 2019–20 (continued)

Queensland		2019–20 actual entitlement									
		Classification	Population Number	Council Area sq km	Road Length km	General Purpose \$	Local Road \$	Total \$	General Purpose \$ per capita	Min #	Local Road \$ per km
Cloncurry Shire Council	RTL	3,091	47,971	1,571	4,789,293	991,339	5,780,632	1,549.43		631.02	
Cook Shire Council	RTL	4,445	105,719	2,927	8,897,298	1,832,797	10,730,095	2,001.64		626.17	
Croydon Shire Council	RTX	288	29,498	1,088	3,438,787	666,517	4,105,304	11,940.23		612.61	
Diamantina Shire Council	RTX	292	94,731	1,061	2,546,737	650,097	3,196,834	8,721.70		612.72	
Doomadgee Aboriginal Shire Council*	RTM	1,507	1,828	113	1,430,837	85,200	1,516,037	949.46		753.98	
Douglas Shire Council	RAV	12,257	2,428	437	1,139,586	399,022	1,538,608	92.97		913.09	
Etheridge Shire Council	RTS	804	39,199	1,753	4,485,185	1,077,578	5,562,763	5,578.59		614.71	
Flinders Shire Council	RTM	1,499	41,200	1,992	5,861,035	1,230,824	7,091,859	3,909.96		617.88	
Fraser Coast Regional Council	URL	105,463	7,105	2,620	4,958,764	2,738,150	7,696,914	47.02		1,045.10	
Gladstone Regional Council	URM	62,979	10,484	2,588	5,596,403	2,259,159	7,855,562	88.86		872.94	
Gold Coast City Council	URV	606,774	1,334	3,210	12,781,179	8,519,752	21,300,931	21.06	#	2,654.13	
Goondiwindi Regional Council	RAV	10,728	19,258	2,484	4,621,136	1,630,633	6,251,769	430.75		656.45	
Gympie Regional Council	URM	51,586	6,884	2,290	3,665,533	1,954,236	5,619,769	71.06		853.38	
Hinchinbrook Shire Council	RAV	10,805	2,807	693	1,494,276	539,413	2,033,689	138.29		778.37	
Hope Vale Aboriginal Shire Council*	RTM	1,081	1,112	132	1,117,986	92,178	1,210,164	1,034.21		698.32	
Ipswich City Council	URV	213,638	1,094	1,749	4,500,103	3,377,013	7,877,116	21.06	#	1,930.83	
Isaac Regional Council	URS	20,934	58,708	3,254	3,325,069	2,210,517	5,535,586	158.84		679.32	
Kowanyama Aboriginal Shire Council*	RTS	977	2,555	352	1,651,237	225,477	1,876,714	1,690.11		640.56	
Livingstone Shire Council	UFM	37,638	11,758	1,459	2,785,299	1,296,686	4,081,985	74.00		888.75	

Distribution to councils in Queensland for 2019–20 (continued)

Queensland		2019–20 actual entitlement									
		Classification	Population Number	Council Area sq km	Road Length km	General Purpose \$	Local Road \$	Total \$	General Purpose \$ per capita	Min #	Local Road \$ per km
Lockhart River Aboriginal Shire Council*	RTS	782	3,576	176	1,766,068	115,773	1,881,841	2,258.40		657.80	
Lockyer Valley Regional Council	URM	41,011	2,269	1,488	3,348,812	1,350,848	4,699,660	81.66		907.83	
Logan City Council	URV	326,615	958	2,459	6,879,868	5,031,817	11,911,685	21.06	#	2,046.29	
Longreach Regional Council	RTL	3,530	40,572	2,748	6,151,669	1,713,757	7,865,426	1,742.68		623.64	
Mackay Regional Council	URL	116,539	7,613	2,502	3,270,776	2,785,991	6,056,767	28.07		1,113.51	
Mapoon Aboriginal Shire Council*	RTX	325	537	57	1,241,652	38,270	1,279,922	3,820.47		671.40	
Maranoa Regional Council	RAV	12,791	58,705	5,825	13,526,663	3,690,102	17,216,765	1,057.51		633.49	
Mareeba Shire Council	URS	22,517	53,491	2,302	6,122,244	1,647,162	7,769,406	271.89		715.54	
Mckinlay Shire Council	RTS	814	40,737	1,633	4,562,635	1,004,516	5,567,151	5,605.20		615.14	
Moreton Bay Regional Council	URV	459,585	2,042	3,623	9,680,767	7,179,677	16,860,444	21.06	#	1,981.69	
Mornington Shire Council*	RTM	1,218	1,248	158	2,426,583	109,513	2,536,096	1,992.27		693.12	
Mount Isa City Council	RTL	18,878	43,713	2,033	5,101,315	1,443,783	6,545,098	270.23		710.17	
Murweh Shire Council	RTL	4,318	40,700	2,782	5,563,361	1,743,010	7,306,371	1,288.41		626.53	
Napranum Aboriginal Shire Council*	RTM	1,048	2,004	173	1,208,383	116,820	1,325,203	1,153.04		675.26	
Noosa Shire Council	URM	55,369	870	873	1,166,301	1,131,142	2,297,443	21.06	#	1,295.70	
North Burnett Regional Council	RAV	10,628	19,670	4,162	9,120,040	2,652,703	11,772,743	858.11		637.36	
Northern Peninsula Area Regional Council	RTL	3,069	1,052	363	4,347,124	254,530	4,601,654	1,416.46		701.18	

Distribution to councils in Queensland for 2019–20 (continued)

Queensland		2019–20 actual entitlement									
		Classification	Population Number	Council Area sq km	Road Length km	General Purpose \$	Local Road \$	Total \$	General Purpose \$ per capita	Min #	Local Road \$ per km
Palim Island Aboriginal Shire Council*	RTM	2,637	72	43	1,353,011	54,740	1,407,751	513.09		1,273.02	
Paroo Shire Council	RTM	1,586	47,613	2,259	4,304,653	1,394,566	5,699,219	2,714.16		617.34	
Pormpuraaw Aboriginal Shire Council*	RTS	833	4,395	566	1,524,423	354,216	1,878,639	1,830.04		625.82	
Quilpie Shire Council	RTS	790	67,415	2,082	3,846,949	1,278,033	5,124,982	4,869.56		613.85	
Redland City Council	URV	156,863	537	1,203	3,304,186	2,430,050	5,734,236	21.06	#	2,019.99	
Richmond Shire Council	RTS	806	26,581	1,297	2,858,758	799,556	3,658,314	3,546.85		616.47	
Rockhampton Regional Council	URL	81,067	6,570	2,024	6,326,943	2,110,891	8,437,834	78.05		1,042.93	
Scenic Rim Regional Council	UFM	42,583	4,243	1,816	1,755,214	1,567,846	3,323,060	41.22		863.35	
Somerset Regional Council	UFS	25,887	5,373	1,864	2,105,740	1,416,541	3,522,281	81.34		759.95	
South Burnett Regional Council	URM	32,555	8,382	3,277	4,933,720	2,350,227	7,283,947	151.55		717.19	
Southern Downs Regional Council	URM	35,601	7,108	3,078	4,312,152	2,261,898	6,574,050	121.12		734.86	
Sunshine Coast Regional Council	URV	319,922	2,254	2,971	6,738,886	5,271,619	12,010,505	21.06	#	1,774.36	
Tablelands Regional Council	URS	25,541	11,293	1,845	5,071,994	1,401,214	6,473,208	198.58		759.47	
Toowoomba Regional Council	URV	167,657	12,957	6,640	7,889,595	5,861,973	13,751,568	47.06		882.83	
Torres Shire Council	RTL	3,848	884	299	3,484,482	223,932	3,708,414	905.53		748.94	
Torres Strait Island Regional Council*	RTL	4,994	490	369	11,324,337	279,008	11,603,345	2,267.59		756.12	
Townsville City Council	URV	194,072	3,731	1,793	4,087,962	3,192,229	7,280,191	21.06	#	1,780.38	

Distribution to councils in Queensland for 2019–20 (continued)

Queensland			2019–20 actual entitlement							
Council Name	Classification	Population Number	Council Area sq km	Road Length km	General Purpose \$	Local Road \$	Total \$	General Purpose \$ per capita	Min #	Local Road \$ per km
Whitsunday Regional Council	URM	35,050	23,819	1,842	4,030,534	1,502,228	5,532,762	114.99		815.54
Winton Shire Council	RTM	1,157	53,814	2,488	4,154,417	1,529,558	5,683,975	3,590.68		614.77
Woorabinda Aboriginal Shire Council*	RTM	1,005	391	56	575,175	45,179	620,354	572.31		806.77
Wujal Aboriginal Shire Council*	RTX	306	12	18	527,226	14,284	541,510	1,722.96		793.56
Yarrabah Aboriginal Shire Council*	RTM	2,848	159	61	993,417	67,996	1,061,413	348.81		1,114.69

Notes:

a population estimates provided by the Local Government Grants Commission in each state and the Northern Territory.

* Indigenous local governing body

minimum grant

Table 47 Distribution to councils in Western Australia for 2019–20

Western Australia			2019–20 actual entitlement							
Council Name	Classification	Population Number	Council Area sq km	Road Length km	General Purpose \$	Local Road \$	Total \$	General Purpose \$ per capita	Min #	Local Road \$ per km
City of Armadale	UFM	87,634	560	762	1,852,365	1,482,545	3,334,910	21.14		1,945.60
City of Bayswater	UDM	68,232	35	350	1,437,440	818,443	2,255,883	21.07	#	2,338.41
City of Belmont	UDM	41,510	40	228	874,489	566,065	1,440,554	21.07	#	2,482.74
City of Bunbury	URM	31,776	65	321	669,423	895,326	1,564,749	21.07	#	2,789.18
City of Busselton ^{sw}	URM	38,926	1,454	1,095	820,052	1,979,320	2,799,372	21.07	#	1,807.60
City of Canning	UDL	92,965	65	578	1,958,489	1,360,391	3,318,880	21.07	#	2,353.62
City of Cockburn	UDL	112,165	168	845	2,362,975	1,703,841	4,066,816	21.07	#	2,016.38
City of Fremantle	UDM	30,868	19	177	650,294	415,823	1,066,117	21.07	#	2,349.28
City of Gosnells ^{sw}	UDV	123,325	127	776	2,598,082	1,833,009	4,431,091	21.07	#	2,362.13
City of Greater Geraldton	URM	38,738	9,909	2,085	3,753,170	2,067,839	5,821,009	96.89		991.77
City of Joondalup	UDV	160,031	99	1,011	3,371,365	2,260,258	5,631,623	21.07	#	2,235.67
City of Kalamunda	UFM	58,946	324	613	1,241,813	1,173,762	2,415,575	21.07	#	1,914.78
City of Kalgoorlie-Boulder ^{sw}	URM	29,998	95,498	1,372	1,003,793	1,806,187	2,809,980	33.46		1,316.46
City of Karratha	URS	22,414	15,237	648	925,788	1,153,272	2,079,060	41.30		1,779.74
City of Kwinana	UFM	43,511	120	416	916,644	799,222	1,715,866	21.07	#	1,921.21
City of Mandurah	UFL	85,302	175	696	1,797,053	1,358,428	3,155,481	21.07	#	1,951.76
City of Melville	UDL	101,940	53	528	2,147,565	1,137,492	3,285,057	21.07	#	2,154.34
City of Nedlands	UDS	22,554	20	137	475,144	296,986	772,130	21.07	#	2,167.78
City of Perth	UCC	27,762	14	106	584,861	465,202	1,050,063	21.07	#	4,388.70
City of Rockingham	UFV	133,389	258	1,058	2,810,099	2,099,272	4,909,371	21.07	#	1,984.19
City of South Perth	UDM	43,554	20	192	917,550	416,300	1,333,850	21.07	#	2,168.23

Distribution to councils in Western Australia for 2019–20 (continued)

Western Australia		2019–20 actual entitlement									
		Classification	Population Number	Council Area sq km	Road Length km	General Purpose \$	Local Road \$	Total \$	General Purpose \$ per capita	Min #	Local Road \$ per km
City of Stirling	UDV	220,249	105	1,029	4,639,975	2,223,980	6,863,955	21.07	#	2,161.30	
City of Subiaco	UDS	17,106	6	77	360,371	195,859	556,230	21.07	#	2,543.62	
City of Swan ^{SW}	UFV	143,374	1,043	1,485	3,020,453	3,255,474	6,275,927	21.07	#	2,192.24	
City of Vincent	UDS	36,088	11	146	760,264	375,849	1,136,113	21.07	#	2,574.31	
City of Wanneroo	UFV	203,679	683	1,511	4,290,895	3,130,800	7,421,695	21.07	#	2,072.01	
Shire of Ashburton ^{SW}	RTL	13,329	100,818	1,559	2,642,905	1,167,050	3,809,955	198.28		748.59	
Shire of Augusta Margaret River ^{SW}	RSG	15,700	2,122	907	330,751	1,424,070	1,754,821	21.07	#	1,570.09	
Shire of Beverley	RAS	1,748	2,371	697	808,207	488,090	1,296,297	462.36		700.27	
Shire of Boddington	RAS	1,833	1,905	265	91,864	215,113	306,977	50.12		811.75	
Shire of Boyup Brook ^{SW}	RAS	1,756	2,827	1,020	807,179	1,321,704	2,128,883	459.67		1,295.79	
Shire of Bridgetown Greenbushes ^{SW}	RAM	4,722	1,337	681	1,164,449	1,351,738	2,516,187	246.60		1,984.93	
Shire of Brookton	RAS	965	1,601	529	684,199	353,916	1,038,115	709.01		669.03	
Shire of Broome ^{SW}	RTL	16,952	54,402	686	1,842,118	962,464	2,804,582	108.67		1,403.01	
Shire of Broomehill- Tambellup	RAS	1,132	2,610	971	1,152,705	659,285	1,811,990	1,018.29		678.98	
Shire of Bruce Rock ^{SW}	RAS	940	2,725	1,173	1,688,040	879,386	2,567,426	1,795.79		749.69	
Shire of Capel	URS	18,022	558	502	1,148,919	643,560	1,792,479	63.75		1,281.99	
Shire of Carnamah ^{SW}	RAS	541	2,871	643	928,803	500,076	1,428,879	1,716.83		777.72	
Shire of Carnarvon	RAL	5,362	46,575	1,515	3,637,142	1,332,080	4,969,222	678.32		879.26	
Shire of Chapman Valley	RAS	1,492	3,981	864	449,742	533,497	983,239	301.44		617.47	
Shire of Chittering ^{SW}	RAL	5,742	1,220	440	848,841	665,028	1,513,869	147.83		1,511.43	
Shire of Collie ^{SW}	RAL	8,754	1,710	383	1,173,139	577,587	1,750,726	134.01		1,508.06	

Distribution to councils in Western Australia for 2019–20 (continued)

Western Australia		2019–20 actual entitlement									
		Classification	Population Number	Council Area sq km	Road Length km	General Purpose \$	Local Road \$	Total \$	General Purpose \$ per capita	Min #	Local Road \$ per km
Shire of Coolgardie	RTL	3,506	30,298	847	531,920	527,341	1,059,261	151.72		622.60	
Shire of Cooraw	RAS	1,004	4,190	856	1,103,376	564,775	1,668,151	1,098.98		659.78	
Shire of Corrigin	RAS	1,146	2,681	1,059	1,202,373	700,845	1,903,218	1,049.19		661.80	
Shire of Cranbrook ^{SW}	RAS	1,077	3,276	1,014	815,108	932,579	1,747,687	756.83		919.70	
Shire of Cuballing	RAS	862	1,195	555	556,044	341,452	897,496	645.06		615.23	
Shire of Cue	RTX	148	13,582	730	1,449,837	488,256	1,938,093	9,796.20		668.84	
Shire of Cunderdin	RAS	1,440	1,862	783	869,169	530,109	1,399,278	603.59		677.02	
Shire of Dalwallinu	RAS	1,431	7,224	1,912	1,674,768	1,173,797	2,848,565	1,170.35		613.91	
Shire of Dandaragan ^{SW}	RAM	3,259	6,712	1,295	713,893	1,435,829	2,149,722	219.05		1,108.75	
Shire of Dardanup	RAV	14,368	526	408	943,472	508,633	1,452,105	65.66		1,246.65	
Shire of Denmark ^{SW}	RAL	6,154	1,860	624	573,472	980,315	1,553,787	93.19		1,571.02	
Shire of Derby West Kimberley ^{SW}	RTL	8,255	119,731	1,749	4,218,068	1,482,323	5,700,391	510.97		847.53	
Shire of Donnybrook Balingup	RAL	6,062	1,560	669	1,347,090	676,525	2,023,615	222.22		1,011.25	
Shire of Dowerin	RAS	676	1,863	939	928,207	564,087	1,492,294	1,373.09		600.73	
Shire of Dumbleyung	RAS	676	2,539	994	1,072,266	630,328	1,702,594	1,586.19		634.13	
Shire of Dundas	RTS	735	92,885	633	1,061,540	401,841	1,463,381	1,444.27		634.82	
Shire of East Pilbara ^{SW}	RTL	10,970	372,308	3,111	2,308,026	2,595,038	4,903,064	210.39		834.15	
Shire of Esperance	RAV	14,281	44,798	4,260	2,459,715	2,950,850	5,410,565	172.24		692.69	
Shire of Exmouth	RTM	2,836	6,488	236	1,418,112	424,316	1,842,428	500.04		1,797.95	
Shire of Gingin	RAL	5,258	3,208	875	870,900	898,823	1,769,723	165.63		1,027.23	
Shire of Gnowangerup	RAS	1,207	4,265	1,027	790,259	662,470	1,452,729	654.73		645.05	

Distribution to councils in Western Australia for 2019–20 (continued)

Council Name		Classification	Population Number	Council Area sq km	Road Length km	2019–20 actual entitlement					
						General Purpose \$	Local Road \$	Total \$	General Purpose \$ per capita	Min #	Local Road \$ per km
Shire of Goomalling	RAS	1,011	1,835	589	417,524	379,791	797,315	412.98		644.81	
Shire of Halls Creek ^{SW}	RTL	3,490	133,061	1,423	3,412,209	1,082,475	4,494,684	977.71		760.70	
Shire of Harvey	URS	27,798	1,728	853	1,855,370	1,027,399	2,882,769	66.74		1,204.45	
Shire of Irwin	RAM	3,560	2,369	445	197,110	344,241	541,351	55.37		773.58	
Shire of Jerramungup	RAS	1,133	6,509	1,057	713,214	630,500	1,343,714	629.49		596.50	
Shire of Katanning ^{SW}	RAM	4,085	1,518	692	1,517,873	575,840	2,093,713	371.57		832.14	
Shire of Kellerberrin	RAS	1,207	1,915	945	1,454,003	591,749	2,045,752	1,204.64		626.19	
Shire of Kent	RAS	562	5,625	1,324	1,056,999	750,426	1,807,425	1,880.78		566.79	
Shire of Kojoonup	RAS	1,980	2,931	1,112	857,457	692,241	1,549,698	433.06		622.52	
Shire of Kondinin	RAS	870	7,441	1,337	1,379,768	814,754	2,194,522	1,585.94		609.39	
Shire of Koorda	RAS	408	2,832	1,067	1,271,726	653,898	1,925,624	3,116.98		612.84	
Shire of Kulin	RAS	774	4,719	1,437	1,273,808	861,185	2,134,993	1,645.75		599.29	
Shire of Lake Grace	RAS	1,282	11,886	2,281	1,534,802	1,325,218	2,860,020	1,197.19		580.98	
Shire of Laverton ^{SW}	RTM	1,206	179,985	4,227	1,517,283	978,910	2,496,193	1,258.11		231.59	
Shire of Leonora	RTM	1,529	31,915	1,226	581,575	662,978	1,244,553	380.36		540.77	
Shire of Manjimup ^{SW}	RAL	9,159	7,030	1,303	2,927,142	1,595,381	4,522,523	319.59		1,224.39	
Shire of Meekatharra	RTM	1,008	100,189	2,423	2,369,657	1,264,555	3,634,212	2,350.85		521.90	
Shire of Menzies ^{SW}	RTS	521	124,111	1,621	1,642,304	878,835	2,521,139	3,152.21		542.16	
Shire of Merredin	RAM	3,410	3,294	1,292	1,515,579	864,666	2,380,245	444.45		669.25	
Shire of Mingenew	RAS	432	1,935	451	307,853	331,949	639,802	712.62		736.03	
Shire of Moora	RAM	2,426	3,763	935	918,029	757,668	1,675,697	378.41		810.34	
Shire of Morawa	RAS	698	3,511	971	1,104,102	587,651	1,691,753	1,581.81		605.20	

Distribution to councils in Western Australia for 2019–20 (continued)

Council Name		Classification	Population Number	Council Area sq km	Road Length km	2019–20 actual entitlement				
						General Purpose \$	Local Road \$	Total \$	General Purpose \$ per capita	Min #
Shire of Mount Magnet	RTS	464	13,858	579	1,471,659	334,378	1,806,037	3,171.68		577.51
Shire of Mount Marshall	RAS	518	10,185	1,676	1,553,596	902,243	2,455,839	2,999.22		538.33
Shire of Mukinbudin	RAS	531	3,427	905	1,119,655	550,093	1,669,748	2,108.58		607.84
Shire of Mundaring ^{sw}	UFM	39,139	643	671	1,241,336	1,473,640	2,714,976	31.72		2,196.18
Shire of Murchison	RTX	162	45,046	1,647	2,892,272	910,252	3,802,524	17,853.53		552.67
Shire of Murray	RAV	17,653	1,704	706	888,071	886,001	1,774,072	50.31		1,254.96
Shire of Nannup	RAS	1,363	3,054	490	833,638	494,267	1,327,905	611.62		1,008.71
Shire of Narembeen	RAS	837	3,809	1,410	1,278,924	827,975	2,106,899	1,527.99		587.22
Shire of Narragin	RAL	5,040	1,631	800	1,663,494	604,465	2,267,959	330.06		755.58
Shire of Ngaanyatjaraku ^{sw}	RTM	1,747	159,822	1,362	3,177,753	1,314,808	4,492,561	1,818.98		965.35
Shire of Northam	RAV	11,190	1,431	764	2,531,861	828,770	3,360,631	226.26		1,084.78
Shire of Northampton	RAM	3,077	12,544	1,073	911,481	736,344	1,647,825	296.22		686.25
Shire of Nungarin	RAS	247	1,166	510	974,583	314,951	1,289,534	3,945.68		617.55
Shire of Peppermint Grove	UDS	1,721	1	9	36,256	20,755	57,011	21.07	#	2,306.11
Shire of Perenjori	RAS	596	8,301	1,472	1,214,601	920,528	2,135,129	2,037.92		625.36
Shire of Pingelly	RAS	1,152	1,295	569	908,144	381,230	1,289,374	788.32		670.00
Shire of Plantagenet	RAL	5,249	4,877	1,312	876,377	909,483	1,785,860	166.96		693.20
Shire of Quairading	RAS	1,007	2,017	863	1,262,944	573,288	1,836,232	1,254.16		664.30
Shire of Ravensthorpe	RAS	1,598	9,842	1,227	1,165,253	765,310	1,930,563	729.19		623.72
Shire of Sandstone	RTX	81	32,605	918	1,580,731	469,693	2,050,424	19,515.20		511.65
Shire of Serpentine Jarrahdale	UFS	30,933	901	746	1,569,707	1,077,169	2,646,876	50.75		1,443.93

Distribution to councils in Western Australia for 2019–20 (continued)

Council Name		Classification	Population		Council Area sq km	Road Length km	2019–20 actual entitlement			
			Number				General Purpose \$	Local Road \$	Total \$	General Purpose \$ per capita
Shire of Shark Bay	RTS	946	24,201	585	1,439,364	489,017	1,928,381	1,521.53		835.93
Shire of Tammin	RAS	401	1,102	495	743,688	300,231	1,043,919	1,854.58		606.53
Shire of Three Springs	RAS	591	2,657	692	791,922	469,687	1,261,609	1,339.97		678.74
Shire of Toodyay	RAM	4,427	1,692	635	937,578	584,351	1,521,929	211.79		920.24
Shire of Trayning	RAS	348	1,651	752	1,200,160	470,423	1,670,583	3,448.74		625.56
Shire of Upper Gascoyne ^{SW}	RTX	279	57,810	1,877	2,831,566	1,165,611	3,997,177	10,148.98		621.00
Shire of Victoria Plains	RAS	934	2,551	807	600,369	554,342	1,154,711	642.79		686.92
Shire of Wagin	RAS	1,824	1,946	783	907,174	505,784	1,412,958	497.35		645.96
Shire of Wandering ^{SW}	RAS	431	1,904	355	301,882	732,562	1,034,444	700.42		2,063.55
Shire of Waroona	RAM	4,169	832	340	894,954	406,062	1,301,016	214.67		1,194.30
Shire of West Arthur	RAS	798	2,832	855	526,922	530,077	1,056,999	660.30		619.97
Shire of Westonia	RAS	302	3,319	881	856,140	526,549	1,382,689	2,834.90		597.67
Shire of Wickpin	RAS	730	2,041	868	1,082,765	531,444	1,614,209	1,483.24		612.26
Shire of Williams	RAS	1,024	2,305	473	198,231	315,697	513,928	193.58		667.44
Shire of Wiluna	RTS	706	181,297	1,909	1,874,001	891,905	2,765,906	2,654.39		467.21
Shire of Wongan-Ballidu	RAS	1,299	3,365	1,320	1,320,816	823,890	2,144,706	1,016.79		624.16
Shire of Woodanilling	RAS	428	1,129	523	515,681	319,049	834,730	1,204.86		610.04
Shire of Wyalkatchem	RAS	498	1,595	724	1,124,920	461,053	1,585,973	2,258.88		636.81
Shire of Wyndham East Kimberley ^{SW}	RTL	7,317	112,066	860	2,743,737	1,353,353	4,097,090	374.98		1,573.67
Shire of Yalgoo	RTX	357	27,950	1,133	1,798,502	606,681	2,405,183	5,037.82		535.46
Shire of Yilgarn	RAS	1,169	30,429	2,728	1,685,118	1,468,965	3,154,083	1,441.50		538.48

Distribution to councils in Western Australia for 2019–20 (continued)

Western Australia				2019–20 actual entitlement						
Council Name	Classification	Population Number	Council Area sq km	Road Length km	General Purpose \$	Local Road \$	Total \$	General Purpose \$ per capita	Min #	Local Road \$ per km
Town of Bassendean	UDS	15,739	10	96	331,573	219,114	550,687	21.07	#	2,282.44
Town of Cambridge	UDS	28,481	22	173	600,007	394,308	994,315	21.07	#	2,279.24
Town of Claremont	UDS	10,704	5	47	225,501	108,045	333,546	21.07	#	2,298.83
Town of Cottesloe	UDS	8,188	4	47	172,497	105,980	278,477	21.07	#	2,254.89
Town of East Fremantle	UDS	7,811	3	37	164,554	75,720	240,274	21.07	#	2,046.49
Town of Mosman Park	UDS	9,067	4	44	191,014	87,763	278,777	21.07	#	1,994.61
Town of Port Hedland	RTL	14,975	18,417	458	747,436	763,086	1,510,522	49.91		1,666.13
Town of Victoria Park	UDM	36,601	18	166	771,071	382,070	1,153,141	21.07	#	2,301.63

Notes:

a population estimates provided by the Local Government Grants Commission in each state and the Northern Territory.

* Indigenous local governing body

minimum grant

sw special works included in local roads totals.

Table 48 Distribution to councils in South Australia for 2019–20

South Australia		2019–20 actual entitlement									
		Classification	Population Number	Council Area sq km	Road Length km	General Purpose \$	Local Road \$	Total \$	General Purpose \$ per capita	Min #	Local Road \$ per km
Adelaide Hills Council	UFM	39,734	794	1,013	837,124	737,203	1,574,327	21.07	#	727.74	
Adelaide Plains Council	RAL	9,059	1,048	966	1,179,306	278,540	1,457,846	130.18		288.34	
Alexandrina Council	UFS	27,037	1,828	1,376	881,750	637,854	1,519,604	32.61		463.56	
Anangu Pitjantjatjara Inc*	RTM	2,558	0	3,185	1,229,698	160,638	1,390,336	480.73		50.44	
Barunga West Council	RAM	2,551	1,721	929	335,667	212,711	548,378	131.58		228.97	
Berri Barmera Council ^{SW}	RAV	10,853	509	468	2,341,102	656,249	2,997,351	215.71		1,402.24	
City of Burnside	UDM	45,706	27	235	962,943	508,998	1,471,941	21.07	#	2,165.95	
City of Charles Sturt	UDL	117,382	56	582	2,473,029	1,286,558	3,759,587	21.07	#	2,210.58	
City of Holdfast Bay	UDM	37,032	14	172	780,198	394,181	1,174,379	21.07	#	2,291.75	
City of Mitcham	UDM	67,253	76	405	1,416,901	808,035	2,224,936	21.07	#	1,995.15	
City of Mount Gambier	URS	27,176	34	227	2,940,283	427,111	3,367,394	108.19		1,881.55	
City of Onkaparinga ^{SW}	UFV	171,489	520	1,502	5,542,925	3,194,446	8,737,371	32.32		2,126.79	
City of Playford	UFL	93,426	358	838	9,892,533	1,391,092	11,283,625	105.89		1,660.01	
City of Port Adelaide Enfield	UDV	126,120	94	690	2,657,122	1,447,219	4,104,341	21.07	#	2,097.42	
City of Port Lincoln	URS	14,626	32	160	1,455,347	234,681	1,690,028	99.50		1,466.76	
City of Prospect	UDS	21,259	8	87	447,889	214,840	662,729	21.07	#	2,469.43	
City of Salisbury ^{SW}	UDV	142,555	167	830	6,754,840	1,793,803	8,548,643	47.38		2,161.21	
City of Victor Harbor	URS	15,248	386	395	331,312	287,255	618,567	21.73		727.23	
City of West Torrens	UDM	60,105	37	290	1,266,305	650,972	1,917,277	21.07	#	2,244.73	
Clare & Gilbert Valleys Council ^{SW}	RAL	9,379	1,893	1,833	834,279	544,761	1,379,040	88.95		297.20	
Coorong District Council	RAL	5,463	8,866	1,889	2,346,924	702,538	3,049,462	429.60		371.91	
Copper Coast Council	RAV	14,872	795	909	1,705,324	351,134	2,056,458	114.67		386.29	

Distribution to councils in South Australia for 2019–20 (continued)

Council Name		Classification	Population Number	Council Area sq km	Road Length km	2019–20 actual entitlement					
						General Purpose \$	Local Road \$	Total \$	General Purpose \$ per capita	Min #	Local Road \$ per km
Corporation of the City of Campbelltown	UDM	51,469	24	255	1,084,360	563,941	1,648,301	21.07	#	2,211.53	
Corporation of the City of Marion	UDL	92,308	56	474	1,944,764	1,028,686	2,973,450	21.07	#	2,170.22	
Corporation of the City of Norwood Payneham & St Peters	UDM	36,750	15	160	774,257	381,131	1,155,388	21.07	#	2,382.07	
Corporation of the City of Port Augusta	URS	14,102	1,282	411	2,724,290	302,322	3,026,612	193.18		735.58	
Corporation of the City of Tea Tree Gully	UDL	99,694	95	594	2,100,374	1,186,850	3,287,224	21.07	#	1,998.06	
Corporation of the City of Unley	UDM	39,145	14	165	824,715	399,865	1,224,580	21.07	#	2,423.42	
Corporation of the City of Whyalla	URS	21,766	1,117	283	4,123,992	402,822	4,526,814	189.47		1,423.40	
Corporation of the Town of Walkerville	UDS	7,944	4	35	167,365	82,914	250,279	21.07	#	2,368.97	
District Council of Ceduna	RAM	3,466	5,490	1,715	1,974,618	470,219	2,444,837	569.71		274.18	
District Council of Cleve	RAS	1,799	5,019	1,549	1,041,992	421,467	1,463,459	579.21		272.09	
District Council of Coober Pedy	URS	1,845	78	437	812,844	51,509	864,353	440.57		117.87	
District Council of Elliston	RAS	1,019	6,713	1,148	711,702	437,114	1,148,816	698.43		380.76	
District Council of Franklin Harbour	RAS	1,315	2,793	787	1,007,902	233,524	1,241,426	766.47		296.73	
District Council of Grant	RAL	8,511	1,903	1,567	1,415,468	359,977	1,775,445	166.31		229.72	
District Council of Karoonda East Murray	RAS	1,112	4,419	1,299	1,174,346	362,804	1,537,150	1,056.07		279.29	

Distribution to councils in South Australia for 2019–20 (continued)

Council Name		Classification	Population Number	Council Area sq km	Road Length km	2019–20 actual entitlement					
						General Purpose \$	Local Road \$	Total \$	General Purpose \$ per capita	Min #	Local Road \$ per km
District Council of Kimba	RAS	1,073	3,984	1,716	977,444	322,564	1,300,008	910.95		187.97	
District Council of Lower Eyre Peninsula ^{SW}	RAL	5,761	4,776	1,344	475,186	1,226,043	1,701,229	82.48		912.23	
District Council of Loxton Waikerie	RAV	11,726	7,990	2,305	3,495,385	780,454	4,275,839	298.09		338.59	
District Council of Mount Barker	URM	35,545	595	780	749,876	636,651	1,386,527	21.10		816.22	
District Council of Mount Remarkable	RAM	2,910	3,509	2,068	1,611,585	393,239	2,004,824	553.81		190.15	
District Council of Ororoo Carrieton	RAS	854	3,322	1,628	943,096	271,961	1,215,057	1,104.33		167.05	
District Council of Peterborough	RAS	1,700	3,020	1,231	1,292,199	260,645	1,552,844	760.12		211.73	
District Council of Robe	RAS	1,444	1,093	435	30,422	115,075	145,497	21.07	#	264.54	
District Council of Streaky Bay	RAM	2,214	6,319	1,736	1,427,051	496,110	1,923,161	644.56		285.78	
District Council of Tumby Bay	RAM	2,688	2,678	1,079	498,841	275,620	774,461	185.58		255.44	
District Council of Yankalilla	RSG	5,478	754	544	157,436	172,693	330,129	28.74		317.45	
Gerard Community Council Aboriginal Corporation*	RTX	227	0	0	47,992	21,401	69,393	211.42		0.00	
Kangaroo Island Council	RAM	4,933	4,423	1,363	1,660,776	426,316	2,087,092	336.67		312.78	
Kingston District Council	RAM	2,374	3,343	769	504,979	270,184	775,163	212.71		351.34	
Light Regional Council ^{SW}	RAV	15,339	1,277	1,453	440,695	1,166,886	1,607,581	28.73		803.09	

Distribution to councils in South Australia for 2019–20 (continued)

South Australia		2019–20 actual entitlement									
		Classification	Population Number	Council Area sq km	Road Length km	General Purpose \$	Local Road \$	Total \$	General Purpose \$ per capita	Min #	Local Road \$ per km
Maralinga Tjarutja*	RTX	64	0	0	97,532	57,472	155,004	1,523.94		0.00	
Mid Murray Council ^{sw}	RAL	8,983	6,271	3,404	3,262,023	1,450,325	4,712,348	363.13		426.06	
Municipal Council of Roxby Downs	URS	4,014	110	39	140,393	68,442	208,835	34.98		1,754.92	
Naracoorte Lucindale Council ^{sw}	RAL	8,533	4,519	1,618	2,701,731	1,165,025	3,866,756	316.62		720.04	
Nipapanha Community Aboriginal Corporation*	RTX	87	0	0	30,785	21,309	52,094	353.85		0.00	
Northern Areas Council	RAM	4,603	2,987	2,203	1,378,175	428,958	1,807,133	299.41		194.72	
Outback Communities Authority	RTM	2,951	0	0	1,554,093	0	1,554,093	526.63		0.00	
Port Pirie Regional Council	RAV	17,630	1,963	1,367	4,013,387	502,887	4,516,274	227.65		367.88	
Regional Council of Goyder	RAM	4,206	6,715	3,248	2,589,984	719,865	3,309,849	615.78		221.63	
Renmark Paringa Council ^{sw}	RAL	9,869	903	479	2,466,867	1,212,212	3,679,079	249.96		2,530.71	
Rural City of Murray Bridge	URS	22,165	1,828	976	3,421,396	519,916	3,941,312	154.36		532.70	
Southern Mallee District Council	RAM	2,094	5,710	1,332	1,113,301	428,180	1,541,481	531.66		321.46	
Tatiara District Council ^{sw}	RAL	6,794	6,522	1,936	2,943,761	769,856	3,713,617	433.29		397.65	
The Barossa Council	UFS	24,808	894	977	815,009	510,867	1,325,876	32.85		522.89	
The Corporation of the City of Adelaide	UCC	24,794	15	124	522,361	273,252	795,613	21.07	#	2,203.65	
The Flinders Ranges Council	RAS	1,693	4,127	1,262	1,172,331	320,115	1,492,446	692.46		253.66	

Distribution to councils in South Australia for 2019–20 (continued)

South Australia		2019–20 actual entitlement									
		Classification	Population Number	Council Area sq km	Road Length km	General Purpose \$	Local Road \$	Total \$	General Purpose \$ per capita	Min #	Local Road \$ per km
Town of Gawler ^{sw}	UFS	24,018	41	200	1,484,302	1,196,494	2,680,796	61.80		5,982.47	
Wakefield Regional Council	RAL	6,814	3,522	2,686	1,895,012	564,308	2,459,320	278.11		210.09	
Wattle Range Council ^{sw}	RAV	12,031	3,929	2,435	2,782,604	768,162	3,550,766	231.29		315.47	
Wudinna District Council	RAS	1,294	5,394	1,686	1,194,341	422,972	1,617,313	922.98		250.87	
Yalata Anangu Aboriginal Corporation*	RTX	255	0	64	172,739	46,272	219,011	677.41		723.00	
Yorke Peninsula Council	RAV	11,328	6,011	3,895	1,387,256	866,977	2,254,233	122.46		222.59	

Notes:

a population estimates provided by the Local Government Grants Commission in each state and the Northern Territory.

* Indigenous local governing body

minimum grant

sw special works included in local roads totals

Table 49 Distribution to councils in Tasmania for 2019–20

Tasmania		2019–20 actual entitlement									
		Classification	Population Number	Council Area sq km	Road Length km	General Purpose \$	Local Road \$	Total \$	General Purpose \$ per capita	Min #	Local Road \$ per km
Break O'day Council	RAL	6,232	3,521	547	1,313,329	1,605,635	2,918,964	210.74		2,935.35	
Brighton Council	UFS	17,294	171	187	1,311,511	620,828	1,932,339	75.84		3,319.94	
Burnie City Council	URS	19,348	610	347	1,139,848	1,229,127	2,368,975	58.91		3,546.24	
Central Coast Council	URS	21,904	931	677	2,132,630	2,003,459	4,136,089	97.36		2,959.32	
Central Highlands Council	RAM	2,144	7,976	737	981,748	1,501,043	2,482,791	457.90		2,036.69	
Circular Head Council	RAL	8,066	4,891	770	1,249,031	2,062,738	3,311,769	154.85		2,678.88	
Clarence City Council	UFM	56,945	377	470	1,200,624	1,677,428	2,878,052	21.08	#	3,569.00	
Derwent Valley Council	RAV	10,290	4,103	333	1,451,637	953,614	2,405,251	141.07		2,863.71	
Devonport City Council	URS	25,415	111	269	1,080,832	1,193,678	2,274,510	42.53		4,442.42	
Dorset Council	RAL	6,652	3,223	688	1,542,244	1,921,774	3,464,018	231.85		2,793.28	
Flinders Council	RAS	987	1,994	346	685,931	758,105	1,444,036	694.97		2,193.13	
George Town Council	RAL	6,931	653	274	1,082,457	808,639	1,891,096	156.18		2,951.24	
Glamorgan Spring Bay Council	RAM	4,528	2,587	379	251,699	1,030,828	1,282,527	55.59		2,719.15	
Glenorchy City Council	UFM	47,636	121	317	1,004,353	1,448,609	2,452,962	21.08	#	4,569.74	
Hobart City Council	UCC	53,684	78	311	1,131,869	1,652,769	2,784,638	21.08	#	5,314.37	
Huon Valley Council	RAV	17,219	5,497	709	2,017,629	1,677,595	3,695,224	117.17		2,367.81	
Kentish Council	RAL	6,324	1,155	471	1,554,841	1,220,532	2,775,373	245.86		2,591.36	
King Island Council	RAS	1,601	1,094	442	877,254	1,065,772	1,943,026	547.94		2,411.25	
Kingborough Council	UFM	37,734	719	544	795,580	1,539,217	2,334,797	21.08	#	2,831.26	
Latrobe Council	RAV	11,329	600	288	890,956	792,339	1,683,295	78.64		2,752.13	

Distribution to councils in Tasmania for 2019–20 (continued)

Tasmania	2019–20 actual entitlement									
	Council Name	Classification	Population Number	Council Area sq km	Road Length km	General Purpose \$	Local Road \$	Total \$	General Purpose \$ per capita	Min #
Launceston City Council	URM	67,449	1,411	753	1,422,089	2,975,933	4,398,022	21.08	#	3,951.61
Meander Valley Council	RAV	19,713	3,320	824	2,088,304	2,216,625	4,304,929	105.94		2,690.08
Northern Midlands Council	RAV	13,300	5,126	960	1,153,334	2,435,985	3,589,319	86.72		2,537.48
Sorell Council	RAV	15,218	583	352	1,251,205	1,049,018	2,300,223	82.22		2,976.93
Southern Midlands Council	RAL	6,118	2,611	812	1,826,434	1,687,481	3,513,915	298.53		2,078.18
Tasman Council	RAM	2,404	659	208	466,942	562,535	1,029,477	194.24		2,709.71
Waratah/Wynyard Council	RAV	13,800	3,526	539	1,720,758	1,459,770	3,180,528	124.69		2,707.29
West Coast Council	RAM	4,167	9,574	191	1,390,245	745,501	2,135,746	333.63		3,903.15
West Tamar Council	UFS	23,769	690	468	2,106,504	1,331,251	3,437,755	88.62		2,844.55

Notes:

a population estimates provided by the Local Government Grants Commission in each state and the Northern Territory.

* Indigenous local governing body

minimum grant

Table 50 Distribution to councils in Northern Territory for 2019–20

Northern Territory		2019–20 actual entitlement										
Council Name	Classification	Population Number	Council Area sq km	Road Length km	General Purpose		Local Road		Total \$	General Purpose		Local Road \$ per km
					\$	\$	\$	\$ per capita		#		
Alice Springs Town Council	URS	26,371	327	245	650,659	975,701	1,626,360	24.67			3,982.45	
Barkly Regional Council	RTL	7,347	322	556	1,698,236	478,690	2,176,926	231.15			860.95	
Belyuen Community Government Council	RTX	173	42	84	24,815	33,628	58,443	143.44			400.33	
Central Desert Regional Council	RTL	4,182	282	1,769	1,112,224	1,009,832	2,122,056	265.96			570.85	
City of Darwin	UCC	84,093	142	530	1,828,400	1,938,829	3,767,229	21.74	#		3,658.17	
City of Palmerston	URM	37,629	56	325	818,152	1,026,376	1,844,528	21.74	#		3,158.08	
Coomalie Community Government Council	RTM	1,382	1,512	195	30,048	511,154	541,202	21.74	#		2,621.30	
East Arnhem Regional Council*	RTL	10,281	33,302	973	3,354,794	1,283,755	4,638,549	326.31			1,319.38	
Katherine Town Council	URS	10,556	7,421	175	557,860	627,675	1,185,535	52.85			3,586.71	
Litchfield Council	UFS	25,441	3,072	728	553,153	2,651,268	3,204,421	21.74	#		3,641.85	
Local Government Association of the Northern Territory Inc	N/A	0	0	2,097	0	1,596,223	1,596,223	0.00			761.19	
MacDonnell Regional Council*	RTL	6,821	268,784	1,564	1,902,040	1,021,621	2,923,661	278.85			653.21	
Roper Gulf Regional Council	RTL	7,352	185,176	940	2,047,263	1,097,398	3,144,661	278.46			1,167.44	
Tiwi Islands Regional Council*	RTM	2,736	7,501	845	402,569	994,485	1,397,054	147.14			1,176.91	
Victoria Daly Regional Council*	RTL	3,119	153,475	335	467,477	713,768	1,181,245	149.88			2,130.65	

Distribution to councils in Northern Territory for 2019–20 (continued)

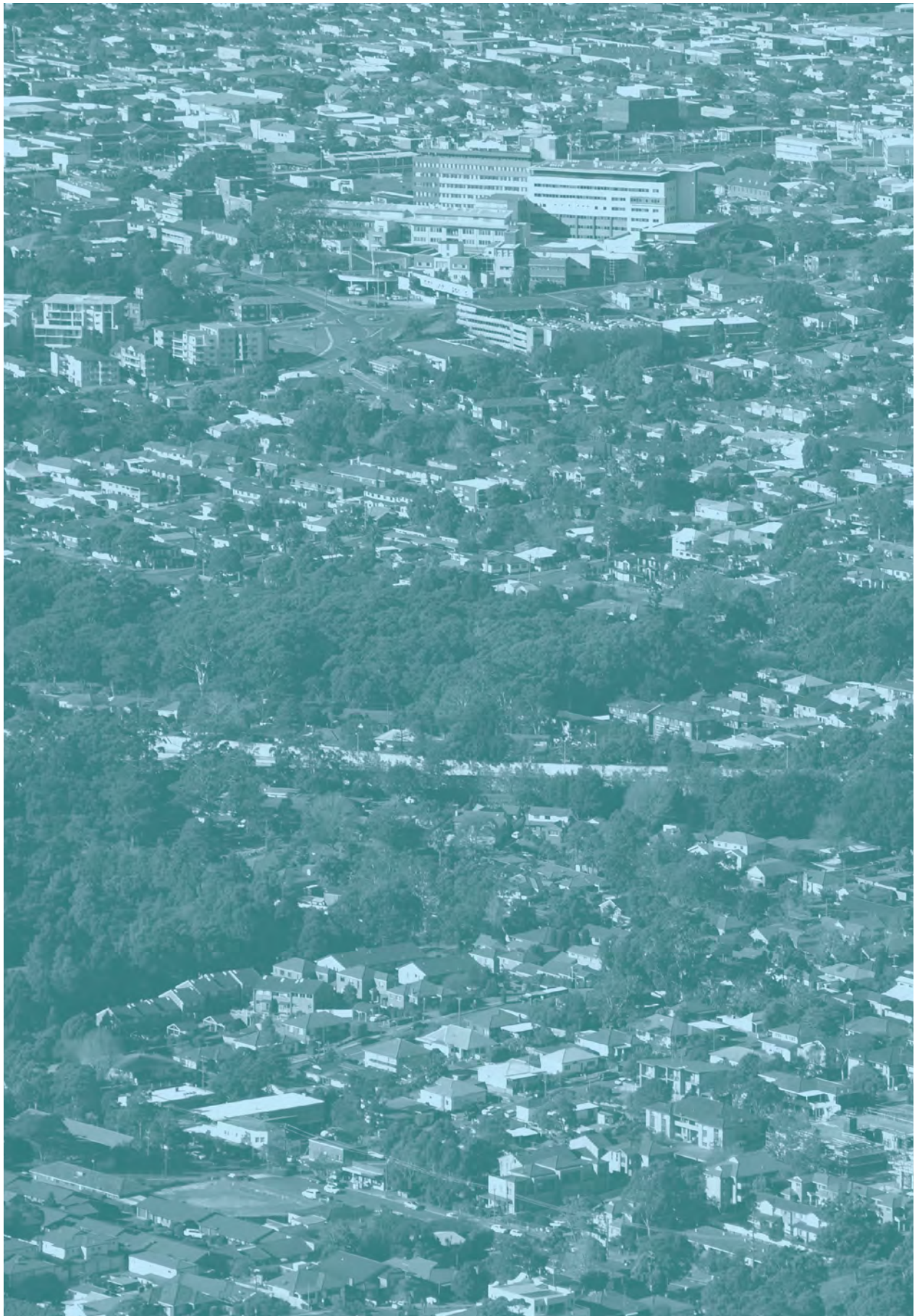
Northern Territory		2019–20 actual entitlement									
Council Name	Classification	Population		Council Area sq km	Road Length km	General Purpose \$	Local Road \$	Total \$	General Purpose \$ per capita	Min #	Local Road \$ per km
		Number									
Wagait Shire Council	RTS	505		6	17	11,333	56,329	67,662	22.44		3,313.47
West Arnhem Regional Council*	RTL	6,860		49,698	1,232	1,275,870	1,233,366	2,509,236	185.99		1,001.11
West Daly Regional Council*	RTL	3,627		14,100	846	548,657	974,116	1,522,773	151.27		1,151.44

Notes:

a population estimates provided by the Local Government Grants Commission in each state and the Northern Territory.

* Indigenous local governing body

minimum grant



Appendix E

Ranking of local governing bodies

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, the allocation of grants for each council is divided by their length of local roads to obtain a relative expenditure needs measure. For the following tables, councils within a state are sorted on the value of the general purpose grant per capita and the local road grant per kilometre. For each council, the table gives the ranking obtained for both grants. The Australian Classification of Local Government category for each council is also provided (see Appendix F). For each state and the Northern Territory, the positions of the average general purpose grant per capita and the average local road grant per kilometre are also shown at the top of the ranking of councils.

Key to symbols used in tables in Appendix E. 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 51 New South Wales councils ranked by grant funding 2019–20

New South Wales councils ranked by funding per capita				New South Wales councils ranked by funding per km			
General purpose grant				Local roads grant			
Rank	Council Name	Classification	\$ per capita	Rank	Council Name	Classification	\$ per km
	State average		70.15		State average		1,535.52
1	Central Darling Shire Council	RTM	2,255.58	1	The Council of the City of Sydney	UCC	4,763.60
2	Brewarrina Shire Council	RAS	1,760.71	2	Waverley Council	UDL	3,986.11
3	Bourke Shire Council	RAM	1,595.29	3	Randwick City Council	UDV	3,614.66
4	Carrathool Shire Council	RAM	1,344.04	4	Strathfield Municipal Council	UDM	3,541.78
5	Balranald Shire Council	RAM	1,227.19	5	Bayside Council	UDV	3,468.37
6	Bogan Shire Council	RAM	1,068.74	6	City of Canada Bay Council	UDL	3,461.88
7	Lachlan Council	RAL	967.77	7	North Sydney Council	UDL	3,457.06
8	Cobar Shire Council	RTL	889.90	8	Burwood Council	UDM	3,353.26
9	Bland Shire Council	RAL	798.56	9	City of Parramatta Council	UDV	3,281.21
10	Hay Shire Council	RAM	763.89	10	Inner West Council	UDV	3,269.54
11	Walgett Shire Council	RAL	758.52	11	Canterbury-Bankstown Council	UDV	3,180.41
12	Murrumbidgee Council	RAM	741.65	12	Council of the Municipality of Woollahra	UDM	3,160.61
13	Lockhart Shire Council	RAM	695.22	13	Cumberland Council	UDV	3,152.12
14	Warren Shire Council	RAM	694.97	14	Lane Cove Municipal Council	UDM	3,147.25
15	Silverton Village Committee Incorporated	RTX	691.64	15	Council of the City of Ryde	UDV	3,124.90
16	Coonamble Shire Council	RAM	676.47	16	Georges River Council	UDV	3,051.85
17	Gilgandra Council	RAM	620.29	17	Willoughby City Council	UDL	3,044.89
18	Wentworth Shire Council	RAL	609.78	18	Fairfield City Council	UDV	2,877.33
19	Lord Howe Island Board	RTX	584.26	19	Mosman Municipal Council	UDM	2,857.69
20	Tibooburra Village Committee Incorporated	RTX	579.53	20	Coffs Harbour City Council	URL	2,846.67
21	Coolamon Shire Council	RAM	573.71	21	Northern Beaches Council	UDV	2,836.28

New South Wales councils ranked by grant funding 2019–20 (continued)

New South Wales councils ranked by funding per capita				New South Wales councils ranked by funding per km			
General purpose grant				Local roads grant			
Rank	Council Name	Classification	\$ per capita	Rank	Council Name	Classification	\$ per km
22	Narrandera Shire Council	RAL	559.49	22	Albury City Council	URM	2,721.00
23	Gwydir Shire Council	RAL	529.26	23	Tweed Shire Council	URL	2,689.58
24	Warrumbungle Shire Council	RAL	507.52	24	Liverpool City Council	UDV	2,650.14
25	Weddin Shire Council	RAM	492.96	25	Blacktown City Council	UDV	2,614.39
26	Tenterfield Shire Council	RAL	492.35	26	Ku-Ring-Gai Council	UDV	2,600.04
27	Walcha Council	RAM	467.95	27	Wollongong City Council	URV	2,594.68
28	Narramine Shire Council	RAL	461.82	28	Sutherland Shire Council	UDV	2,593.30
29	Edward River Council	RAL	456.10	29	Campbelltown City Council	UFV	2,586.22
30	Murray River Council	RAV	453.30	30	Orange City Council	URM	2,564.33
31	Berrigan Shire Council	RAL	399.82	31	Hornsby Shire Council	UFV	2,515.76
32	Federation Council	RAV	382.91	32	Hunter's Hill Council	UDS	2,466.52
33	Narrabri Shire Council	RAV	378.88	33	Newcastle City Council	URV	2,430.66
34	Moree Plains Shire Council	RAV	377.77	34	Port Macquarie Hastings Council	URL	2,402.05
35	Temora Shire Council	RAL	377.72	35	Penrith City Council	UFV	2,394.99
36	Upper Lachlan Shire Council	RAL	366.90	36	Council of the City of Shellharbour	URL	2,394.13
37	Forbes Shire Council	RAL	361.82	37	Council of the City of Broken Hill	URS	2,386.01
38	Oberon Council	RAL	340.30	38	The Hills Shire Council	UFV	2,297.47
39	Cootamundra-Gundagai Regional Council	RAV	335.05	39	Ballina Shire Council	URM	2,263.91
40	Snowy Monaro Regional Council	URS	332.43	40	The Council of Camden	UFL	2,261.41
41	Kyogle Council	RAL	325.89	41	Central Coast Council (NSW)	UFV	2,237.31
42	Glen Innes Severn Council	RAL	323.95	42	Kiama Municipal Council	URS	2,182.68
43	Liverpool Plains Shire Council	RAL	314.81	43	Shoalhaven City Council	URL	2,177.75

New South Wales councils ranked by grant funding 2019–20 (continued)

New South Wales councils ranked by funding per capita					New South Wales councils ranked by funding per km				
General purpose grant					Local roads grant				
Rank	Council Name	Classification	\$ per capita	Rank	Council Name	Classification	\$ per km		
44	Greater Hume Shire Council	RAV	314.26	44	Lake Macquarie City Council	URV	2,173.90		
45	Snowy Valleys Council	RAV	305.80	45	Byron Shire Council	URM	2,150.19		
46	Junee Shire Council	RAL	301.54	46	Maitland City Council	URL	2,106.60		
47	Leeton Shire Council	RAV	298.33	47	Blue Mountains City Council	UFL	1,936.90		
48	Parkes Shire Council	RAV	291.34	48	Hawkesbury City Council	UFM	1,934.37		
49	Hilltops Council	RAV	285.88	49	Port Stephens Council	URL	1,926.72		
50	Uralla Shire Council	RAL	276.29	50	Wollondilly Shire Council	UFM	1,908.60		
51	Cowra Shire Council	RAV	258.36	51	Cessnock City Council	URM	1,907.84		
52	Blayney Shire Council	RAL	255.23	52	Nambucca Valley Council	RAV	1,854.43		
53	Council of the City of Broken Hill	URS	251.89	53	Lismore City Council	URM	1,844.05		
54	Gunnedah Shire Council	RAV	240.90	54	Wingecarribee Shire Council	URM	1,838.23		
55	Inverell Shire Council	RAV	240.67	55	Eurobodalla Shire Council	URM	1,796.21		
56	Bellingen Shire Council	RAV	225.31	56	Queanbeyan-Palerang Regional Council	URM	1,795.25		
57	Upper Hunter Shire Council	RAV	222.68	57	Kempsey Shire Council	URS	1,777.87		
58	Cabonne Shire Council	RAV	217.61	58	Bathurst Regional Council	URM	1,766.66		
59	Dungog Shire Council	RAL	186.97	59	Bellingen Shire Council	RAV	1,748.24		
60	Mid-Western Regional Council	URS	167.42	60	Bega Valley Shire Council	URM	1,717.33		
61	City of Lithgow Council	URS	165.87	61	Mid-Coast Council	URL	1,698.29		
62	Muswellbrook Shire Council	RAV	163.33	62	Singleton Council	URS	1,691.69		
63	Richmond Valley Council	URS	153.55	63	Muswellbrook Shire Council	RAV	1,637.83		
64	Dubbo Regional Council	URM	153.34	64	Richmond Valley Council	URS	1,636.73		
65	Bega Valley Shire Council	URM	152.80	65	Clarence Valley Council	URM	1,630.25		

New South Wales councils ranked by grant funding 2019–20 (continued)

New South Wales councils ranked by funding per capita					New South Wales councils ranked by funding per km				
General purpose grant					Local roads grant				
Rank	Council Name	Classification	\$ per capita		Rank	Council Name	Classification	\$ per km	
66	Clarence Valley Council	URM	150.30		66	Wagga Wagga City Council	URM	1,581.54	
67	Griffith City Council	URS	149.45		67	Goulburn Mulwaree Council	URM	1,566.49	
68	Kempsey Shire Council	URS	146.50		68	Dungog Shire Council	RAL	1,564.88	
69	Nambucca Valley Council	RAV	143.96		69	Kyogle Council	RAL	1,535.69	
70	Eurobodalla Shire Council	URM	142.31		70	Tamworth Regional Council	URM	1,478.02	
71	Armidale Regional Council	URM	141.44		71	City of Lithgow Council	URS	1,472.44	
72	Mid-Coast Council	URL	135.91		72	Snowy Valleys Council	RAV	1,390.76	
73	Goulburn Mulwaree Council	URM	112.66		73	Dubbo Regional Council	URM	1,388.95	
74	Wagga Wagga City Council	URM	110.07		74	Griffith City Council	URS	1,351.60	
75	Singleton Council	URS	106.94		75	Armidale Regional Council	URM	1,337.43	
76	Yass Valley Council	RAV	103.28		76	Yass Valley Council	RAV	1,314.60	
77	Bathurst Regional Council	URM	103.19		77	Glen Innes Severn Council	RAL	1,302.09	
78	Tamworth Regional Council	URM	101.96		78	Mid-Western Regional Council	URS	1,297.81	
79	Lismore City Council	URM	100.98		79	Cootamundra–Gundagai Regional Council	RAV	1,270.44	
80	Blue Mountains City Council	UFL	95.25		80	Upper Hunter Shire Council	RAV	1,268.74	
81	Cessnock City Council	URM	94.77		81	Blayney Shire Council	RAL	1,268.16	
82	Albury City Council	URM	94.02		82	Cowra Shire Council	RAV	1,243.54	
83	Shoalhaven City Council	URL	86.61		83	Cabonne Shire Council	RAV	1,234.52	
84	Orange City Council	URM	84.27		84	Uralla Shire Council	RAL	1,226.01	
85	Tweed Shire Council	URL	82.03		85	Leeton Shire Council	RAV	1,225.04	
86	Port Macquarie Hastings Council	URL	77.41		86	Snowy Monaro Regional Council	URS	1,219.39	
87	Wollongong City Council	URV	75.90		87	Inverell Shire Council	RAV	1,212.30	

New South Wales councils ranked by grant funding 2019–20 (continued)

New South Wales councils ranked by funding per capita				New South Wales councils ranked by funding per km			
General purpose grant				Local roads grant			
Rank	Council Name	Classification	\$ per capita	Rank	Council Name	Classification	\$ per km
88	Port Stephens Council	URL	75.62	88	Gunnedah Shire Council	RAV	1,205.84
89	Ballina Shire Council	URM	72.04	89	Liverpool Plains Shire Council	RAL	1,183.36
90	Coffs Harbour City Council	URL	69.98	90	Greater Hume Shire Council	RAV	1,183.04
91	Maitland City Council	URL	68.57	91	Murray River Council	RAV	1,182.78
92	Lake Macquarie City Council	URV	66.67	92	Walcha Council	RAM	1,181.27
93	Newcastle City Council	URV	65.10	93	Tenterfield Shire Council	RAL	1,175.54
94	Wingecarribee Shire Council	URM	64.34	94	Hilltops Council	RAV	1,174.11
95	Central Coast Council (NSW)	UFV	63.23	95	Junee Shire Council	RAL	1,156.40
96	Queanbeyan–Palerang Regional Council	URM	61.68	96	Forbes Shire Council	RAL	1,142.88
97	Council of the City of Shellharbour	URL	60.16	97	Oberon Council	RAL	1,135.69
98	Byron Shire Council	URM	59.46	98	Lockhart Shire Council	RAM	1,135.37
99	Kiama Municipal Council	URS	52.63	99	Upper Lachlan Shire Council	RAL	1,131.96
100	Campbelltown City Council	UFV	48.79	100	Parkes Shire Council	RAV	1,129.84
101	Wollondilly Shire Council	UFM	46.56	101	Federation Council	RAV	1,128.12
102	Penrith City Council	UFV	40.56	102	Narrabri Shire Council	RAV	1,127.30
103	Hawkesbury City Council	UFM	40.21	103	Berrigan Shire Council	RAL	1,122.64
104	Blacktown City Council	UDV	36.50	104	Moree Plains Shire Council	RAV	1,121.76
105	Fairfield City Council	UDV	35.13	105	Edward River Council	RAL	1,117.95
106	Liverpool City Council	UDV	29.10	106	Warrumbungle Shire Council	RAL	1,112.75
107	City of Parramatta Council	UDV	29.07	107	Gilgandra Council	RAM	1,111.71
108	Cumberland Council	UDV	26.94	108	Walgett Shire Council	RAL	1,109.23
109	The Council of Camden	UFL	25.75	109	Warren Shire Council	RAM	1,108.23

New South Wales councils ranked by grant funding 2019–20 (continued)

New South Wales councils ranked by funding per capita					New South Wales councils ranked by funding per km				
General purpose grant					Local roads grant				
Rank	Council Name	Classification	\$ per capita	Rank	Council Name	Classification	\$ per km		
110	Hunter's Hill Council	UDS	22.17	110	Gwydir Shire Council	RAL	1,101.68		
111	Mosman Municipal Council	UDM	22.11	111	Narrandera Shire Council	RAL	1,099.36		
112	Canterbury-Bankstown Council	UDV	21.93	112	Temora Shire Council	RAL	1,088.96		
113	Lane Cove Municipal Council	UDM	21.22	113	Coonamble Shire Council	RAM	1,088.09		
114	Burwood Council	UDM	21.21	114	Bogan Shire Council	RAM	1,083.96		
115	Bayside Council	UDV	21.04	115	Narramine Shire Council	RAL	1,083.43		
115	City of Canada Bay Council	UDL	21.04	116	Weddin Shire Council	RAM	1,083.10		
115	Council of the City of Ryde	UDV	21.04	117	Wentworth Shire Council	RAL	1,072.27		
115	Council of the Municipality of Woollahra	UDM	21.04	118	Hay Shire Council	RAM	1,067.61		
115	Georges River Council	UDV	21.04	119	Coolamon Shire Council	RAM	1,056.09		
115	Hornsby Shire Council	UFV	21.04	120	Murrumbidgee Council	RAM	1,054.53		
115	Inner West Council	UDV	21.04	121	Brewarrina Shire Council	RAS	1,051.80		
115	Ku-Ring-Gai Council	UDV	21.04	122	Cobar Shire Council	RTL	1,045.29		
115	North Sydney Council	UDL	21.04	123	Carrathool Shire Council	RAM	1,044.38		
115	Northern Beaches Council	UDV	21.04	124	Lachlan Council	RAL	1,039.44		
115	Randwick City Council	UDV	21.04	125	Bourke Shire Council	RAM	1,038.53		
115	Strathfield Municipal Council	UDM	21.04	126	Bland Shire Council	RAL	1,037.69		
115	Sutherland Shire Council	UDV	21.04	127	Balranald Shire Council	RAM	1,023.08		
115	The Council of the City of Sydney	UCC	21.04	128	Central Darling Shire Council	RTM	1,019.96		
115	The Hills Shire Council	UFV	21.04	129	Lord Howe Island Board	RTX	0.00		
115	Waverley Council	UDL	21.04	129	Silverton Village Committee Incorporated	RTX	0.00		
115	Willoughby City Council	UDL	21.04	129	Tibooburra Village Committee Incorporated	RTX	0.00		

Table 52 Victoria councils ranked by grant funding 2019–20

Victoria councils ranked by funding per capita					Victoria councils ranked by funding per km				
General purpose grant					Local roads grant				
Rank	Council Name	Classification	\$ per capita		Rank	Council Name	Classification	\$ per km	
	State average		70.17			State average		1,207.63	
1	West Wimmera Shire Council	RAM	955.20		1	Melbourne City Council (City of Melbourne)	UCC	3,052.45	
2	Loddon Shire Council	RAL	718.35		2	City of Greater Dandenong	UDV	2,334.36	
3	Buloke Shire Council	RAL	661.27		3	City of Port Phillip	UDL	2,032.45	
4	Hindmarsh Shire Council	RAL	559.29		4	Brimbank City Council	UDV	1,988.47	
5	Yarriambiack Shire Council	RAL	521.93		5	Warrambool City Council	URM	1,985.88	
6	Shire of Towong	RAL	519.46		6	Hume City Council	UFV	1,985.12	
7	Pyrenees Shire Council	RAL	471.93		7	City of Maribyrnong	UDL	1,970.58	
8	Northern Grampians Shire Council	RAV	425.81		8	Yarra Ranges Shire Council	UFV	1,911.28	
9	Gannawarra Shire Council	RAV	350.41		9	Yarra City Council	UDL	1,893.41	
10	Ararat Rural City Council	RAV	323.96		10	Melton City Council	UFV	1,892.02	
11	Shire of Strathbogie	RAV	317.73		11	Moreland City Council	UDV	1,833.91	
12	Corangamite Shire Council	RAV	291.88		12	South Gippsland Shire Council	URS	1,829.48	
13	Southern Grampians Shire Council	RAV	288.37		13	City of Whittlesea	UFV	1,798.01	
14	Shire of Moyne	RAV	279.39		14	Banyule City Council	UDV	1,777.36	
15	Glenelg Shire Council	RAV	249.92		15	City of Darebin	UDV	1,760.23	
16	Moira Shire Council	URS	243.91		16	Kingston City Council	UDV	1,758.22	
17	Mansfield Shire Council	RAL	241.50		17	Cardinia Shire Council	UFL	1,739.62	
18	East Gippsland Shire Council	URM	231.06		18	Hobsons Bay City Council	UDL	1,733.65	
19	Swan Hill Rural City Council	URS	228.56		19	Monash City Council	UDV	1,719.92	
20	Hepburn Shire Council	RAV	219.91		20	Moonee Valley City Council	UDV	1,718.98	
21	Central Goldfields Shire Council	RAV	217.50		21	Ballarat City Council	URL	1,709.37	

Victoria councils ranked by grant funding 2019–20 (continued)

Victoria councils ranked by funding per capita				
General purpose grant				
Rank	Council Name	Classification	\$ per capita	
22	Murrindi Shire Council	RAV	216.18	
23	South Gippsland Shire Council	URS	215.65	
24	Alpine Shire	RAV	213.68	
25	Horsham Rural City Council	RAV	213.41	
26	Campaspe Shire Council	URM	210.98	
27	Wellington Shire Council	URM	210.61	
28	Mildura Rural City Council	URM	207.49	
29	Benalla Rural City Council	RAV	198.88	
30	Colac Otway Shire	URS	196.57	
31	Indigo Shire Council	RAV	193.79	
32	Mount Alexander Shire Council	RAV	176.37	
33	Wangaratta Rural City Council	URS	171.59	
34	Golden Plains Shire Council	UFS	166.19	
35	Greater Shepparton City Council	URM	146.52	
36	Borough of Queenscliffe	UFS	142.30	
37	Bass Coast Shire Council	UFM	138.82	
38	Moorabool Shire Council	URM	136.06	
39	Mitchell Shire Council	URM	133.51	
40	Lattrobe City Council	URL	128.37	
41	Baw Baw Shire Council	URM	127.37	
42	Greater Bendigo City Council	URL	117.31	
43	Macedon Ranges Shire Council	URM	115.78	

Victoria councils ranked by funding per km

Local roads grant				
Rank	Council Name	Classification	\$ per km	
22	Latrobe City Council	URL	1,684.98	
23	Whitehorse City Council	UDV	1,663.58	
24	City of Boroondara	UDV	1,661.34	
25	Colac Otway Shire	URS	1,651.40	
26	Frankston City Council	UDV	1,650.76	
27	Maroondah City Council	UDL	1,648.04	
28	Bayside City Council	UDL	1,639.98	
29	Wellington Shire Council	URM	1,636.03	
30	Wyndham City Council	UFV	1,629.45	
31	Wodonga City Council	URM	1,603.44	
32	City of Knox	UDV	1,591.21	
33	East Gippsland Shire Council	URM	1,581.24	
34	City of Greater Geelong	URV	1,560.59	
35	Bass Coast Shire Council	UFM	1,558.06	
36	Casey City Council	UDV	1,551.24	
37	Shire of Towong	RAL	1,547.29	
38	Shire of Moyne	RAV	1,534.56	
39	Corangamite Shire Council	RAV	1,517.39	
40	Stonnington City Council	UDL	1,511.18	
41	Nilumbik Shire Council	UFM	1,510.97	
42	Morrington Peninsula Shire Council	UFV	1,487.80	
43	Surf Coast Shire	UFM	1,487.69	

Victoria councils ranked by grant funding 2019–20 (continued)

Victoria councils ranked by funding per capita				
General purpose grant				
Rank	Council Name	Classification	\$ per capita	
44	Wodonga City Council	URM	106.95	
45	Ballarat City Council	URL	103.44	
46	Warrnambool City Council	URM	93.08	
47	Surf Coast Shire	UFM	92.17	
48	Melton City Council	UFV	91.18	
49	Cardinia Shire Council	UFL	85.89	
50	City of Greater Geelong	URV	72.96	
51	Yarra Ranges Shire Council	UFV	70.34	
52	City of Greater Dandenong	UDV	62.73	
53	Wyndham City Council	UFV	62.06	
54	Hume City Council	UFV	61.26	
55	Brimbank City Council	UDV	59.59	
56	City of Whittlesea	UFV	56.47	
57	Casey City Council	UDV	52.71	
58	Frankston City Council	UDV	51.70	
59	City of Knox	UDV	38.99	
60	Maroondah City Council	UDL	34.75	
61	Nilumbik Shire Council	UFM	30.63	
62	City of Maribyrnong	UDL	23.73	
63	Moreland City Council	UDV	21.79	
64	Banyule City Council	UDV	21.05	
64	Bayside City Council	UDL	21.05	

Victoria councils ranked by funding per km				
Local roads grant				
Rank	Council Name	Classification	\$ per km	
44	Macedon Ranges Shire Council	URM	1,450.32	
45	Murrindindi Shire Council	RAV	1,427.93	
46	Baw Baw Shire Council	URM	1,414.83	
47	Manningham City Council	UDV	1,404.05	
48	Borough of Queenscliffe	UFS	1,393.56	
49	City of Glen Eira	UDV	1,376.82	
50	Glenelg Shire Council	RAV	1,349.86	
51	Moorabool Shire Council	URM	1,317.54	
52	Alpine Shire	RAV	1,298.03	
53	Greater Shepparton City Council	URM	1,265.12	
54	Wangaratta Rural City Council	URS	1,248.74	
55	Mount Alexander Shire Council	RAV	1,226.71	
56	Mansfield Shire Council	RAL	1,144.64	
57	Greater Bendigo City Council	URL	1,136.60	
58	Benalla Rural City Council	RAV	1,130.63	
59	Golden Plains Shire Council	UFS	1,128.32	
60	Moira Shire Council	URS	1,093.43	
61	Indigo Shire Council	RAV	1,081.52	
62	Pyrenees Shire Council	RAL	1,075.34	
63	Hepburn Shire Council	RAV	1,059.59	
64	Mitchell Shire Council	URM	1,052.80	
65	Southern Grampians Shire Council	RAV	1,042.82	

Victoria councils ranked by grant funding 2019–20 (continued)

Victoria councils ranked by funding per capita					Victoria councils ranked by funding per km				
General purpose grant					Local roads grant				
Rank	Council Name	Classification	\$ per capita	Rank	Council Name	Classification	\$ per km		
64	City of Boroondara	UDV	21.05	66	Campaspe Shire Council	URM	1,021.25		
64	City of Darebin	UDV	21.05	67	Shire of Strathbogie	RAV	1,018.44		
64	City of Glen Eira	UDV	21.05	68	Central Goldfields Shire Council	RAV	970.01		
64	City of Port Phillip	UDL	21.05	69	Ararat Rural City Council	RAV	947.48		
64	Hobsons Bay City Council	UDL	21.05	70	Gannawarra Shire Council	RAV	914.86		
64	Kingston City Council	UDV	21.05	71	Northern Grampians Shire Council	RAV	858.38		
64	Manningham City Council	UDV	21.05	72	West Wimmera Shire Council	RAM	853.78		
64	Melbourne City Council (City of Melbourne)	UCC	21.05	73	Mildura Rural City Council	URM	814.43		
64	Monash City Council	UDV	21.05	74	Loddon Shire Council	RAL	795.10		
64	Moonee Valley City Council	UDV	21.05	75	Horsham Rural City Council	RAV	753.21		
64	Mornington Peninsula Shire Council	UFV	21.05	76	Swan Hill Rural City Council	URS	642.18		
64	Stonnington City Council	UDL	21.05	77	Hindmarsh Shire Council	RAL	533.95		
64	Whitehorse City Council	UDV	21.05	78	Buloke Shire Council	RAL	472.59		
64	Yarra City Council	UDL	21.05	79	Yarriambiack Shire Council	RAL	420.51		

Table 53 Queensland councils ranked by grant funding 2019–20

Queensland councils ranked by funding per capita				Queensland councils ranked by funding per km			
General purpose grant				Local roads grant			
Rank	Council Name	Classification	\$ per capita	Rank	Council Name	Classification	\$ per km
	State average		70.21		State average		970.16
1	Bulloo Shire Council	RTX	17 816.04	1	Brisbane City Council	UCC	2 925.90
2	Croydon Shire Council	RTX	11 940.23	2	Gold Coast City Council	URV	2 654.13
3	Barcoo Shire Council	RTX	10 644.36	3	Logan City Council	URV	2 046.29
4	Diamantina Shire Council	RTX	8 721.70	4	Redland City Council	URV	2 019.99
5	Burke Shire Council	RTX	7 656.91	5	Moreton Bay Regional Council	URV	1 981.69
6	Mckinlay Shire Council	RTS	5 605.20	6	Cairns Regional Council	URV	1 943.73
7	Etheridge Shire Council	RTS	5 578.59	7	Ipswich City Council	URV	1 930.83
8	Boulia Shire Council	RTS	5 485.62	8	Townsville City Council	URV	1 780.38
9	Quilpie Shire Council	RTS	4 869.56	9	Sunshine Coast Regional Council	URV	1 774.36
10	Flinders Shire Council	RTM	3 909.96	10	Noosa Shire Council	URM	1 295.70
11	Mapoon Aboriginal Shire Council	RTX	3 820.47	11	Palm Island Aboriginal Shire Council	RTM	1 273.02
12	Winton Shire Council	RTM	3 590.68	12	Yarrabah Aboriginal Shire Council	RTM	1 114.69
13	Richmond Shire Council	RTS	3 546.85	13	Mackay Regional Council	URL	1 113.51
14	Paroo Shire Council	RTM	2 714.16	14	Fraser Coast Regional Council	URL	1 045.10
15	Torres Strait Island Regional Council	RTL	2 267.59	15	Rockhampton Regional Council	URL	1 042.93
16	Lockhart River Aboriginal Shire Council	RTS	2 258.40	16	Bundaberg Regional Council	URL	946.69
17	Carpentaria Shire Council	RTM	2 059.50	17	Douglas Shire Council	RAV	913.09
18	Cook Shire Council	RTL	2 001.64	18	Lockyer Valley Regional Council	URM	907.83
19	Barcaldine Regional Council	RTM	2 000.59	19	Livingstone Shire Council	UFM	888.75
20	Mornington Shire Council	RTM	1 992.27	20	Toowoomba Regional Council	URV	882.83
21	Porpuraaw Aboriginal Shire Council	RTS	1 830.04	21	Cassowary Coast Regional Council	URS	876.66

Queensland councils ranked by grant funding 2019–20 (continued)

Queensland councils ranked by funding per capita					Queensland councils ranked by funding per km				
General purpose grant					Local roads grant				
Rank	Council Name	Classification	\$ per capita	Rank	Council Name	Classification	\$ per km		
22	Longreach Regional Council	RTL	1 742.68	22	Gladstone Regional Council	URM	872.94		
23	Wujal Wujal Aboriginal Shire Council	RTX	1 722.96	23	Scenic Rim Regional Council	UFM	863.35		
24	Kowanyama Aboriginal Shire Council	RTS	1 690.11	24	Gympie Regional Council	URM	853.38		
25	Blackall–Tambo Regional Council	RTM	1 665.43	25	Whitsunday Regional Council	URM	815.54		
26	Aurukun Shire Council	RTM	1 555.34	26	Cherbourg Aboriginal Shire Council	RTM	810.06		
27	Cloncurry Shire Council	RTL	1 549.43	27	Woorabinda Aboriginal Shire Council	RTM	806.77		
28	Northern Peninsula Area Regional Council	RTL	1 416.46	28	Wujal Wujal Aboriginal Shire Council	RTX	793.56		
29	Murweh Shire Council	RTL	1 288.41	29	Hinchinbrook Shire Council	RAV	778.37		
30	Napranum Aboriginal Shire Council	RTM	1 153.04	30	Burdekin Shire Council	RAV	770.35		
31	Maranoa Regional Council	RAV	1 057.51	31	Somerset Regional Council	UFS	759.95		
32	Hope Vale Aboriginal Shire Council	RTM	1 034.21	32	Tablelands Regional Council	URS	759.47		
33	Balonne Shire Council	RAM	966.82	33	Aurukun Shire Council	RTM	756.28		
34	Doomadgee Aboriginal Shire Council	RTM	949.46	34	Torres Strait Island Regional Council	RTL	756.12		
35	Torres Shire Council	RTL	905.53	35	Doomadgee Aboriginal Shire Council	RTM	753.98		
36	North Burnett Regional Council	RAV	858.11	36	Torres Shire Council	RTL	748.94		
37	Woorabinda Aboriginal Shire Council	RTM	572.31	37	Southern Downs Regional Council	URM	734.86		
38	Palm Island Aboriginal Shire Council	RTM	513.09	38	South Burnett Regional Council	URM	717.19		
39	Cherbourg Aboriginal Shire Council	RTM	482.10	39	Mareeba Shire Council	URS	715.54		
40	Goondiwindi Regional Council	RAV	430.75	40	Mount Isa City Council	RTL	710.17		
41	Yarrabah Aboriginal Shire Council	RTM	348.81	41	Northern Peninsula Area Regional Council	RTL	701.18		
42	Western Downs Regional Council	URM	343.00	42	Hope Vale Aboriginal Shire Council	RTM	698.32		
43	Banana Shire Council	RAV	339.61	43	Mornington Shire Council	RTM	693.12		

Queensland councils ranked by grant funding 2019–20 (continued)

Queensland councils ranked by funding per capita				Queensland councils ranked by funding per km			
General purpose grant				Local roads grant			
Rank	Council Name	Classification	\$ per capita	Rank	Council Name	Classification	\$ per km
44	Charters Towers Regional Council	RAV	337.91	44	Isaac Regional Council	URS	679.32
45	Mareeba Shire Council	URS	271.89	45	Central Highlands Regional Council	URS	677.48
46	Mount Isa City Council	RTL	270.23	46	Napranum Aboriginal Shire Council	RTM	675.26
47	Central Highlands Regional Council	URS	236.86	47	Mapoon Aboriginal Shire Council	RTX	671.40
48	Tablelands Regional Council	URS	198.58	48	Western Downs Regional Council	URM	660.19
49	Isaac Regional Council	URS	158.84	49	Lockhart River Aboriginal Shire Council	RTS	657.80
50	Burdekin Shire Council	RAV	154.64	50	Goondiwindi Regional Council	RAV	656.45
51	South Burnett Regional Council	URM	151.55	51	Banana Shire Council	RAV	648.48
52	Hinchinbrook Shire Council	RAV	138.29	52	Charters Towers Regional Council	RAV	643.61
53	Southern Downs Regional Council	URM	121.12	53	Kowanyama Aboriginal Shire Council	RTS	640.56
54	Whitsunday Regional Council	URM	114.99	54	North Burnett Regional Council	RAV	637.36
55	Cassowary Coast Regional Council	URS	93.62	55	Maranoa Regional Council	RAV	633.49
56	Douglas Shire Council	RAV	92.97	56	Cloncurry Shire Council	RTL	631.02
57	Gladstone Regional Council	URM	88.86	57	Balonne Shire Council	RAM	627.74
58	Lockyer Valley Regional Council	URM	81.66	58	Murweh Shire Council	RTL	626.53
59	Somerset Regional Council	UFS	81.34	59	Cook Shire Council	RTL	626.17
60	Rockhampton Regional Council	URL	78.05	60	Pormpuraaw Aboriginal Shire Council	RTS	625.82
61	Livingstone Shire Council	UFM	74.00	61	Longreach Regional Council	RTL	623.64
62	Gympie Regional Council	URM	71.06	62	Carpentaria Shire Council	RTM	622.51
63	Bundaberg Regional Council	URL	58.51	63	Blackall-Tambo Regional Council	RTM	620.54
64	Toowoomba Regional Council	URV	47.06	64	Barcaldine Regional Council	RTM	620.07
65	Fraser Coast Regional Council	URL	47.02	65	Flinders Shire Council	RTM	617.88

Queensland councils ranked by grant funding 2019–20 (continued)

Queensland councils ranked by funding per capita				Queensland councils ranked by funding per km			
General purpose grant				Local roads grant			
Rank	Council Name	Classification	\$ per capita	Rank	Council Name	Classification	\$ per km
66	Scenic Rim Regional Council	UFM	41.22	66	Paroo Shire Council	RTM	617.34
67	Mackay Regional Council	URL	28.07	67	Richmond Shire Council	RTS	616.47
68	Brisbane City Council	UCC	21.06	68	Mackinlay Shire Council	RTS	615.14
68	Cairns Regional Council	URV	21.06	69	Burke Shire Council	RTX	615.08
68	Gold Coast City Council	URV	21.06	70	Winton Shire Council	RTM	614.77
68	Ipswich City Council	URV	21.06	71	Etheridge Shire Council	RTS	614.71
68	Logan City Council	URV	21.06	72	Quilpie Shire Council	RTS	613.85
68	Moreton Bay Regional Council	URV	21.06	73	Boulia Shire Council	RTS	613.20
68	Noosa Shire Council	URM	21.06	74	Diamantina Shire Council	RTX	612.72
68	Redland City Council	URV	21.06	75	Croydon Shire Council	RTX	612.61
68	Sunshine Coast Regional Council	URV	21.06	76	Bulloo Shire Council	RTX	611.54
68	Townsville City Council	URV	21.06	77	Barcoo Shire Council	RTX	611.49

Table 54 Western Australia councils ranked by grant funding 2019–20

Western Australia councils ranked by funding per capita				Western Australia councils ranked by funding per km			
General purpose grant				Local roads grant			
Rank	Council Name	Classification	\$ per capita	Rank	Council Name	Classification	\$ per km
State average				State average			
			70.22				934.41
1	Shire of Sandstone	RTX	19,515.20	1	City of Perth	UCC	4,388.70
2	Shire of Murchison	RTX	17,853.53	2	City of Bunbury	URM	2,789.18
3	Shire of Upper Gascoyne	RTX	10,148.98	3	City of Vincent	UDS	2,574.31
4	Shire of Cue	RTX	9,796.20	4	City of Subiaco	UDS	2,543.62
5	Shire of Yalgoo	RTX	5,037.82	5	City of Belmont	UDM	2,482.74
6	Shire of Nungarin	RAS	3,945.68	6	City of Gosnells	UDV	2,362.13
7	Shire of Trayning	RAS	3,448.74	7	City of Canning	UDL	2,353.62
8	Shire of Mount Magnet	RTS	3,171.68	8	City of Fremantle	UDM	2,349.28
9	Shire of Menzies	RTS	3,152.21	9	City of Bayswater	UDM	2,338.41
10	Shire of Koorda	RAS	3,116.98	10	Shire of Peppermint Grove	UDS	2,306.11
11	Shire of Mount Marshall	RAS	2,999.22	11	Town of Victoria Park	UDM	2,301.63
12	Shire of Westonia	RAS	2,834.90	12	Town of Claremont	UDS	2,298.83
13	Shire of Wiluna	RTS	2,654.39	13	Town of Bassendean	UDS	2,282.44
14	Shire of Meekatharra	RTM	2,350.85	14	Town of Cambridge	UDS	2,279.24
15	Shire of Wyalkatchem	RAS	2,258.88	15	Town of Cottesloe	UDS	2,254.89
16	Shire of Mukinbudin	RAS	2,108.58	16	City of Joondalup	UDV	2,235.67
17	Shire of Perenjori	RAS	2,037.92	17	Shire of Mundaring	UFM	2,196.18
18	Shire of Kent	RAS	1,880.78	18	City of Swan	UFV	2,192.24
19	Shire of Tammin	RAS	1,854.58	19	City of South Perth	UDM	2,168.23
20	Shire of Ngaanyatjaraku	RTM	1,818.98	20	City of Nedlands	UDS	2,167.78
21	Shire of Bruce Rock	RAS	1,795.79	21	City of Stirling	UDV	2,161.30
22	Shire of Carnamah	RAS	1,716.83	22	City of Melville	UDL	2,154.34

Western Australia councils ranked by grant funding 2019–20 (continued)

Western Australia councils ranked by funding per capita					Western Australia councils ranked by funding per km				
General purpose grant					Local roads grant				
Rank	Council Name	Classification	\$ per capita		Rank	Council Name	Classification	\$ per km	
23	Shire of Kulin	RAS	1,645.75		23	City of Wanneroo	UFV	2,072.01	
24	Shire of Dumbleyung	RAS	1,586.19		24	Shire of Wandering	RAS	2,063.55	
25	Shire of Kondinin	RAS	1,585.94		25	Town of East Fremantle	UDS	2,046.49	
26	Shire of Morawa	RAS	1,581.81		26	City of Cockburn	UDL	2,016.38	
27	Shire of Narembeen	RAS	1,527.99		27	Town of Mosman Park	UDS	1,994.61	
28	Shire of Shark Bay	RTS	1,521.53		28	Shire of Bridgetown Greenbushes	RAM	1,984.93	
29	Shire of Wickiepin	RAS	1,483.24		29	City of Rockingham	UFV	1,984.19	
30	Shire of Dundas	RTS	1,444.27		30	City of Mandurah	UFL	1,951.76	
31	Shire of Yilgarn	RAS	1,441.50		31	City of Armadale	UFM	1,945.60	
32	Shire of Dowerin	RAS	1,373.09		32	City of Kwinana	UFM	1,921.21	
33	Shire of Three Springs	RAS	1,339.97		33	City of Kalamunda	UFM	1,914.78	
34	Shire of Laverton	RTM	1,258.11		34	City of Busselton	URM	1,807.60	
35	Shire of Quairading	RAS	1,254.16		35	Shire of Exmouth	RTM	1,797.95	
36	Shire of Woodanilling	RAS	1,204.86		36	City of Karratha	URS	1,779.74	
37	Shire of Kellerberrin	RAS	1,204.64		37	Town of Port Hedland	RTL	1,666.13	
38	Shire of Lake Grace	RAS	1,197.19		38	Shire of Wyndham East Kimberley	RTL	1,573.67	
39	Shire of Dalwallinu	RAS	1,170.35		39	Shire of Denmark	RAL	1,571.02	
40	Shire of Coorow	RAS	1,098.98		40	Shire of Augusta Margaret River	RSG	1,570.09	
41	Shire of Corrigin	RAS	1,049.19		41	Shire of Chittering	RAL	1,511.43	
42	Shire of Broomehill-Tambellup	RAS	1,018.29		42	Shire of Collie	RAL	1,508.06	
43	Shire of Wongan-Ballidu	RAS	1,016.79		43	Shire of Serpentine Jarrahdale	UFS	1,443.93	
44	Shire of Halls Creek	RTL	977.71		44	Shire of Broome	RTL	1,403.01	
45	Shire of Pingelly	RAS	788.32		45	City of Kalgoorlie-Boulder	URM	1,316.46	

Western Australia councils ranked by grant funding 2019–20 (continued)

Western Australia councils ranked by funding per capita				Western Australia councils ranked by funding per km			
General purpose grant				Local roads grant			
Rank	Council Name	Classification	\$ per capita	Rank	Council Name	Classification	\$ per km
46	Shire of Cranbrook	RAS	756.83	46	Shire of Boyup Brook	RAS	1,295.79
47	Shire of Ravensthorpe	RAS	729.19	47	Shire of Capel	URS	1,281.99
48	Shire of Mingenew	RAS	712.62	48	Shire of Murray	RAV	1,254.96
49	Shire of Brookton	RAS	709.01	49	Shire of Dardanup	RAV	1,246.65
50	Shire of Wandering	RAS	700.42	50	Shire of Manjimup	RAL	1,224.39
51	Shire of Carnarvon	RAL	678.32	51	Shire of Harvey	URS	1,204.45
52	Shire of West Arthur	RAS	660.30	52	Shire of Waroona	RAM	1,194.30
53	Shire of Gnowangerup	RAS	654.73	53	City of Albany	URM	1,190.50
54	Shire of Cuballing	RAS	645.06	54	Shire of Dandaragan	RAM	1,108.75
55	Shire of Victoria Plains	RAS	642.79	55	Shire of Northam	RAV	1,084.78
56	Shire of Jerramungup	RAS	629.49	56	Shire of Gingin	RAL	1,027.23
57	Shire of Nannup	RAS	611.62	57	Shire of Donnybrook Balingup	RAL	1,011.25
58	Shire of Cunderdin	RAS	603.59	58	Shire of Nannup	RAS	1,008.71
59	Shire of Derby West Kimberley	RTL	510.97	59	City of Greater Geraldton	URM	991.77
60	Shire of Exmouth	RTM	500.04	60	Shire of Ngaanyatjaraku	RTM	965.35
61	Shire of Wagin	RAS	497.35	61	Shire of York	RAM	961.53
62	Shire of Beverley	RAS	462.36	62	Shire of Toodyay	RAM	920.24
63	Shire of Boyup Brook	RAS	459.67	63	Shire of Cranbrook	RAS	919.70
64	Shire of Merredin	RAM	444.45	64	Shire of Carnarvon	RAL	879.26
65	Shire of Kojonup	RAS	433.06	65	Shire of Derby West Kimberley	RTL	847.53
66	Shire of Goomalling	RAS	412.98	66	Shire of Shark Bay	RTS	835.93
67	Shire of Leonora	RTM	380.36	67	Shire of East Pilbara	RTL	834.15
68	Shire of Moora	RAM	378.41	68	Shire of Katanning	RAM	832.14

Western Australia councils ranked by grant funding 2019–20 (continued)

Western Australia councils ranked by grant funding 2019–20				Western Australia councils ranked by funding per km			
General purpose grant				Local roads grant			
Rank	Council Name	Classification	\$ per capita	Rank	Council Name	Classification	\$ per km
69	Shire of Wyndham East Kimberley	RTL	374.98	69	Shire of Boddington	RAS	811.75
70	Shire of Katanning	RAM	371.57	70	Shire of Moora	RAM	810.34
71	Shire of Narrogin	RAL	330.06	71	Shire of Carnamah	RAS	777.72
72	Shire of Manjimup	RAL	319.59	72	Shire of Irwin	RAM	773.58
73	Shire of Chapman Valley	RAS	301.44	73	Shire of Halls Creek	RTL	760.70
74	Shire of Northampton	RAM	296.22	74	Shire of Narrogin	RAL	755.58
75	Shire of Bridgetown Greenbushes	RAM	246.60	75	Shire of Bruce Rock	RAS	749.69
76	Shire of York	RAM	232.63	76	Shire of Ashburton	RTL	748.59
77	Shire of Northam	RAV	226.26	77	Shire of Mingenew	RAS	736.03
78	Shire of Donnybrook Balingup	RAL	222.22	78	Shire of Beverley	RAS	700.27
79	Shire of Dandaragan	RAM	219.05	79	Shire of Plantagenet	RAL	693.20
80	Shire of Waroona	RAM	214.67	80	Shire of Esperance	RAV	692.69
81	Shire of Toodyay	RAM	211.79	81	Shire of Victoria Plains	RAS	686.92
82	Shire of East Pilbara	RTL	210.39	82	Shire of Northampton	RAM	686.25
83	Shire of Ashburton	RTL	198.28	83	Shire of Broomehill-Tambellup	RAS	678.98
84	Shire of Williams	RAS	193.58	84	Shire of Three Springs	RAS	678.74
85	Shire of Esperance	RAV	172.24	85	Shire of Cunderdin	RAS	677.02
86	Shire of Plantagenet	RAL	166.96	86	Shire of Pingelly	RAS	670.00
87	Shire of Gingin	RAL	165.63	87	Shire of Merredin	RAM	669.25
88	Shire of Coolgardie	RTL	151.72	88	Shire of Brookton	RAS	669.03
89	Shire of Chittering	RAL	147.83	89	Shire of Cue	RTX	668.84
90	Shire of Collie	RAL	134.01	90	Shire of Williams	RAS	667.44
91	Shire of Broome	RTL	108.67	91	Shire of Quairading	RAS	664.30

Western Australia councils ranked by grant funding 2019–20 (continued)

Western Australia councils ranked by funding per capita				Western Australia councils ranked by funding per km			
General purpose grant				Local roads grant			
Rank	Council Name	Classification	\$ per capita	Rank	Council Name	Classification	\$ per km
92	City of Greater Geraldton	URM	96.89	92	Shire of Corrigin	RAS	661.80
93	Shire of Denmark	RAL	93.19	93	Shire of Coorow	RAS	659.78
94	Shire of Harvey	URS	66.74	94	Shire of Wagin	RAS	645.96
95	Shire of Dardanup	RAV	65.66	95	Shire of Gnowangerup	RAS	645.05
96	Shire of Capel	URS	63.75	96	Shire of Goomalling	RAS	644.81
97	City of Albany	URM	60.89	97	Shire of Wyalkatchem	RAS	636.81
98	Shire of Irwin	RAM	55.37	98	Shire of Dundas	RTS	634.82
99	Shire of Serpentine Jarrahdale	UFS	50.75	99	Shire of Dumbleyung	RAS	634.13
100	Shire of Murray	RAV	50.31	100	Shire of Kellerberrin	RAS	626.19
101	Shire of Boddington	RAS	50.12	101	Shire of Trayning	RAS	625.56
102	Town of Port Hedland	RTL	49.91	102	Shire of Perenjori	RAS	625.36
103	City of Karratha	URS	41.30	103	Shire of Wongan-Ballidu	RAS	624.16
104	City of Kalgoorlie-Boulder	URM	33.46	104	Shire of Ravensthorpe	RAS	623.72
105	Shire of Mundaring	UFM	31.72	105	Shire of Coolgardie	RTL	622.60
106	City of Armadale	UFM	21.14	106	Shire of Kojonup	RAS	622.52
107	City of Bayswater	UDM	21.07	107	Shire of Upper Gascoyne	RTX	621.00
107	City of Belmont	UDM	21.07	108	Shire of West Arthur	RAS	619.97
107	City of Bunbury	URM	21.07	109	Shire of Nungarin	RAS	617.55
107	City of Busselton	URM	21.07	110	Shire of Chapman Valley	RAS	617.47
107	City of Canning	UDL	21.07	111	Shire of Cuballing	RAS	615.23
107	City of Cockburn	UDL	21.07	112	Shire of Dalwallinu	RAS	613.91
107	City of Fremantle	UDM	21.07	113	Shire of Koorda	RAS	612.84
107	City of Gosnells	UDV	21.07	114	Shire of Wickepin	RAS	612.26

Western Australia councils ranked by grant funding 2019–20 (continued)

Western Australia councils ranked by funding per capita					Western Australia councils ranked by funding per km				
General purpose grant					Local roads grant				
Rank	Council Name	Classification	\$ per capita		Rank	Council Name	Classification	\$ per km	
107	City of Joondalup	UDV	21.07		115	Shire of Woodanilling	RAS	610.04	
107	City of Kalamunda	UFM	21.07		116	Shire of Kondinin	RAS	609.39	
107	City of Kwinana	UFM	21.07		117	Shire of Mukinbudin	RAS	607.84	
107	City of Mandurah	UFL	21.07		118	Shire of Tammin	RAS	606.53	
107	City of Melville	UDL	21.07		119	Shire of Morawa	RAS	605.20	
107	City of Nedlands	UDS	21.07		120	Shire of Dowerin	RAS	600.73	
107	City of Perth	UCC	21.07		121	Shire of Kulin	RAS	599.29	
107	City of Rockingham	UFV	21.07		122	Shire of Westonia	RAS	597.67	
107	City of South Perth	UDM	21.07		123	Shire of Jerramungup	RAS	596.50	
107	City of Stirling	UDV	21.07		124	Shire of Narembeen	RAS	587.22	
107	City of Subiaco	UDS	21.07		125	Shire of Lake Grace	RAS	580.98	
107	City of Swan	UFV	21.07		126	Shire of Mount Magnet	RTS	577.51	
107	City of Vincent	UDS	21.07		127	Shire of Kent	RAS	566.79	
107	City of Wanneroo	UFV	21.07		128	Shire of Murchison	RTX	552.67	
107	Shire of Augusta Margaret River	RSG	21.07		129	Shire of Menzies	RTS	542.16	
107	Shire of Peppermint Grove	UDS	21.07		130	Shire of Leonora	RTM	540.77	
107	Town of Bassendean	UDS	21.07		131	Shire of Yilgarn	RAS	538.48	
107	Town of Cambridge	UDS	21.07		132	Shire of Mount Marshall	RAS	538.33	
107	Town of Claremont	UDS	21.07		133	Shire of Yalgoo	RTX	535.46	
107	Town of Cottesloe	UDS	21.07		134	Shire of Meekatharra	RTM	521.90	
107	Town of East Fremantle	UDS	21.07		135	Shire of Sandstone	RTX	511.65	
107	Town of Mosman Park	UDS	21.07		136	Shire of Wiluna	RTS	467.21	
107	Town of Victoria Park	UDM	21.07		137	Shire of Laverton	RTM	231.59	

Table 55 South Australia councils ranked by grant funding 2019–20

South Australia councils ranked by grant funding per capita					South Australia councils ranked by funding per km				
General purpose grant					Local roads grant				
Rank	Council Name	Classification	\$ per capita	Rank	Council Name	Classification	\$ per km		
	State average		70.23		State average		546.45		
1	Maralinga Tjarutja	RTX	1,523.94	1	Town of Gawler	UFS	5,982.47		
2	District Council of Orroroo Carrieton	RAS	1,104.33	2	Renmark Paranga Council	RAL	2,530.71		
3	District Council of Karoonda East Murray	RAS	1,056.07	3	City of Prospect	UDS	2,469.43		
4	Wudinna District Council	RAS	922.98	4	Corporation of the City of Unley	UDM	2,423.42		
5	District Council of Kimba	RAS	910.95	5	Corporation of the City of Norwood Payneham & St Peters	UDM	2,382.07		
6	District Council of Franklin Harbour	RAS	766.47	6	Corporation of the Town of Walkerville	UDS	2,368.97		
7	District Council of Peterborough	RAS	760.12	7	City of Holdfast Bay	UDM	2,291.75		
8	District Council of Elliston	RAS	698.43	8	City of West Torrens	UDM	2,244.73		
9	The Flinders Ranges Council	RAS	692.46	9	Corporation of the City of Campbelltown	UDM	2,211.53		
10	Yalata Anangu Aboriginal Corporation	RTX	677.41	10	City of Charles Sturt	UDL	2,210.58		
11	District Council of Streaky Bay	RAM	644.56	11	The Corporation of the City of Adelaide	UCC	2,203.65		
12	Regional Council of Goyder	RAM	615.78	12	Corporation of the City of Marion	UDL	2,170.22		
13	District Council of Cleve	RAS	579.21	13	City of Burnside	UDM	2,165.95		
14	District Council of Ceduna	RAM	569.71	14	City of Salisbury	UDV	2,161.21		
15	District Council of Mount Remarkable	RAM	553.81	15	City of Onkaparinga	UFV	2,126.79		
16	Southern Mallee District Council	RAM	531.66	16	City of Port Adelaide Enfield	UDV	2,097.42		
17	Outback Communities Authority	RTM	526.63	17	Corporation of the City of Tea Tree Gully	UDL	1,998.06		
18	Anangu Pitjantjatjara Inc	RTM	480.73	18	City of Mitcham	UDM	1,995.15		
19	District Council of Coober Pedy	URS	440.57	19	City of Mount Gambier	URS	1,881.55		
20	Tatiara District Council	RAL	433.29	20	Municipal Council of Roxby Downs	URS	1,754.92		
21	Coorong District Council	RAL	429.60	21	City of Playford	UFL	1,660.01		

South Australia councils ranked by grant funding 2019–20 (continued)

South Australia councils ranked by funding per capita					South Australia councils ranked by funding per km				
General purpose grant					Local roads grant				
Rank	Council Name	Classification	\$ per capita	Rank	Council Name	Classification	\$ per km		
22	Mid Murray Council	RAL	363.13	22	City of Port Lincoln	URS	1,466.76		
23	Nipapanha Community Aboriginal Corporation	RTX	353.85	23	Corporation of the City of Whyalla	URS	1,423.40		
24	Kangaroo Island Council	RAM	336.67	24	Berri Barmera Council	RAV	1,402.24		
25	Naracoorte Lucindale Council	RAL	316.62	25	District Council of Lower Eyre Peninsula	RAL	912.23		
26	Northern Areas Council	RAM	299.41	26	District Council of Mount Barker	URM	816.22		
27	District Council of Loxton Waikerie	RAV	298.09	27	Light Regional Council	RAV	803.09		
28	Wakefield Regional Council	RAL	278.11	28	Corporation of the City of Port Augusta	URS	735.58		
29	Renmark Paringa Council	RAL	249.96	29	Adelaide Hills Council	UFM	727.74		
30	Wattle Range Council	RAV	231.29	30	City of Victor Harbor	URS	727.23		
31	Port Pirie Regional Council	RAV	227.65	31	Yalata Anangu Aboriginal Corporation	RTX	723.00		
32	Berri Barmera Council	RAV	215.71	32	Naracoorte Lucindale Council	RAL	720.04		
33	Kingston District Council	RAM	212.71	33	Rural City of Murray Bridge	URS	532.70		
34	Gerard Community Council Aboriginal Corporation	RTX	211.42	34	The Barossa Council	UFS	522.89		
35	Corporation of the City of Port Augusta	URS	193.18	35	Alexandrina Council	UFS	463.56		
36	Corporation of the City of Whyalla	URS	189.47	36	Mid Murray Council	RAL	426.06		
37	District Council of Tumby Bay	RAM	185.58	37	Tatiara District Council	RAL	397.65		
38	District Council of Grant	RAL	166.31	38	Copper Coast Council	RAV	386.29		
39	Rural City of Murray Bridge	URS	154.36	39	District Council of Elliston	RAS	380.76		
40	Barunga West Council	RAM	131.58	40	Coorong District Council	RAL	371.91		
41	Adelaide Plains Council	RAL	130.18	41	Port Pirie Regional Council	RAV	367.88		
42	Yorke Peninsula Council	RAV	122.46	42	Kingston District Council	RAM	351.34		
43	Copper Coast Council	RAV	114.67	43	District Council of Loxton Waikerie	RAV	338.59		

South Australia councils ranked by grant funding 2019–20 (continued)

South Australia councils ranked by funding per capita					South Australia councils ranked by funding per km				
General purpose grant					Local roads grant				
Rank	Council Name	Classification	\$ per capita		Rank	Council Name	Classification	\$ per km	
44	City of Mount Gambier	URS	108.19		44	Southern Mallee District Council	RAM	321.46	
45	City of Playford	UFL	105.89		45	District Council of Yankalilla	RSG	317.45	
46	City of Port Lincoln	URS	99.50		46	Wattle Range Council	RAV	315.47	
47	Clare & Gilbert Valleys Council	RAL	88.95		47	Kangaroo Island Council	RAM	312.78	
48	District Council of Lower Eyre Peninsula	RAL	82.48		48	Clare & Gilbert Valleys Council	RAL	297.20	
49	Town of Gawler	UFS	61.80		49	District Council of Franklin Harbour	RAS	296.73	
50	City of Salisbury	UDV	47.38		50	Adelaide Plains Council	RAL	288.34	
51	Municipal Council of Roxby Downs	URS	34.98		51	District Council of Streaky Bay	RAM	285.78	
52	The Barossa Council	UFS	32.85		52	District Council of Karoonda East Murray	RAS	279.29	
53	Alexandrina Council	UFS	32.61		53	District Council of Ceduna	RAM	274.18	
54	City of Onkaparinga	UFV	32.32		54	District Council of Cleve	RAS	272.09	
55	District Council of Yankalilla	RSG	28.74		55	District Council of Robe	RAS	264.54	
56	Light Regional Council	RAV	28.73		56	District Council of Tumby Bay	RAM	255.44	
57	City of Victor Harbor	URS	21.73		57	The Flinders Ranges Council	RAS	253.66	
58	District Council of Mount Barker	URM	21.10		58	Wudinna District Council	RAS	250.87	
59	Adelaide Hills Council	UFM	21.07		59	District Council of Grant	RAL	229.72	
59	City of Burnside	UDM	21.07		60	Barunga West Council	RAM	228.97	
59	City of Charles Sturt	UDL	21.07		61	Yorke Peninsula Council	RAV	222.59	
59	City of Holdfast Bay	UDM	21.07		62	Regional Council of Goyder	RAM	221.63	
59	City of Mitcham	UDM	21.07		63	District Council of Peterborough	RAS	211.73	
59	City of Port Adelaide Enfield	UDV	21.07		64	Wakefield Regional Council	RAL	210.09	
59	City of Prospect	UDS	21.07		65	Northern Areas Council	RAM	194.72	

South Australia councils ranked by grant funding 2019–20 (continued)

South Australia councils ranked by grant funding 2019–20 (continued)							
South Australia councils ranked by funding per capita			South Australia councils ranked by funding per km				
General purpose grant							
Rank	Council Name	Classification	\$ per capita	Rank	Council Name	Classification	\$ per km
59	City of West Torrens	UDM	21.07	66	District Council of Mount Remarkable	RAM	190.15
59	Corporation of the City of Campbelltown	UDM	21.07	67	District Council of Kimba	RAS	187.97
59	Corporation of the City of Marion	UDL	21.07	68	District Council of Ororoo Carrieton	RAS	167.05
59	Corporation of the City of Norwood Payneham & St Peters	UDM	21.07	69	District Council of Coober Pedy	URS	117.87
59	Corporation of the City of Tea Tree Gully	UDL	21.07	70	Anangu Pitjantjatjara Inc	RTM	50.44
59	Corporation of the City of Unley	UDM	21.07	71	Gerard Community Council Aboriginal Corporation	RTX	0.00
59	Corporation of the Town of Walkerville	UDS	21.07	71	Maralinga Tjarutja	RTX	0.00
59	District Council of Robe	RAS	21.07	71	Nipapanha Community Aboriginal Corporation	RTX	0.00
59	The Corporation of the City of Adelaide	UCC	21.07	71	Outback Communities Authority	RTM	0.00

Table 56 Tasmania councils ranked by grant funding 2019–20

Tasmania councils ranked by funding per capita					Tasmania councils ranked by funding per km				
General purpose grant					Local roads grant				
Rank	Council Name	Classification	\$ per capita		Rank	Council Name	Classification	\$ per km	
	State average		70.28			State average		2,901.04	
1	Flinders Council	RAS	694.97		1	Hobart City Council	UCC	5,314.37	
2	King Island Council	RAS	547.94		2	Glenorchy City Council	UFM	4,569.74	
3	Central Highlands Council	RAM	457.90		3	Devonport City Council	URS	4,442.42	
4	West Coast Council	RAM	333.63		4	Launceston City Council	URM	3,951.61	
5	Southern Midlands Council	RAL	298.53		5	West Coast Council	RAM	3,903.15	
6	Kentish Council	RAL	245.86		6	Clarence City Council	UFM	3,569.00	
7	Dorset Council	RAL	231.85		7	Burnie City Council	URS	3,546.24	
8	Break O'day Council	RAL	210.74		8	Brighton Council	UFS	3,319.94	
9	Tasman Council	RAM	194.24		9	Sorell Council	RAV	2,976.93	
10	George Town Council	RAL	156.18		10	Central Coast Council	URS	2,959.32	
11	Circular Head Council	RAL	154.85		11	George Town Council	RAL	2,951.24	
12	Derwent Valley Council	RAV	141.07		12	Break O'day Council	RAL	2,935.35	
13	Waratah/Wynyard Council	RAV	124.69		13	Derwent Valley Council	RAV	2,863.71	
14	Huon Valley Council	RAV	117.17		14	West Tamar Council	UFS	2,844.55	
15	Meander Valley Council	RAV	105.94		15	Kingborough Council	UFM	2,831.26	
16	Central Coast Council	URS	97.36		16	Dorset Council	RAL	2,793.28	
17	West Tamar Council	UFS	88.62		17	Latrobe Council	RAV	2,752.13	
18	Northern Midlands Council	RAV	86.72		18	Glamorgan Spring Bay Council	RAM	2,719.15	
19	Sorell Council	RAV	82.22		19	Tasman Council	RAM	2,709.71	
20	Latrobe Council	RAV	78.64		20	Waratah/Wynyard Council	RAV	2,707.29	
21	Brighton Council	UFS	75.84		21	Meander Valley Council	RAV	2,690.08	

Tasmania councils ranked by grant funding 2019–20 (continued)

Tasmania councils ranked by funding per capita					Tasmania councils ranked by funding per km				
General purpose grant					Local roads grant				
Rank	Council Name	Classification	\$ per capita	Rank	Council Name	Classification	\$ per km		
22	Burnie City Council	URS	58.91	22	Circular Head Council	RAL	2,678.88		
23	Glamorgan Spring Bay Council	RAM	55.59	23	Kentish Council	RAL	2,591.36		
24	Devonport City Council	URS	42.53	24	Northern Midlands Council	RAV	2,537.48		
25	Clarence City Council	UFM	21.08	25	King Island Council	RAS	2,411.25		
25	Glenorchy City Council	UFM	21.08	26	Huon Valley Council	RAV	2,367.81		
25	Hobart City Council	UCC	21.08	27	Flinders Council	RAS	2,193.13		
25	Kingborough Council	UFM	21.08	28	Southern Midlands Council	RAL	2,078.18		
25	Launceston City Council	URM	21.08	29	Central Highlands Council	RAM	2,036.69		

Table 57 Northern Territory councils ranked by grant funding 2019–20

Northern Territory councils ranked by grant funding per capita					Northern Territory councils ranked by funding per km				
General purpose grant					Local roads grant				
Rank	Council Name	Classification	\$ per capita	Rank	Council Name	Classification	\$ per km		
	State average		72.48		State average		1,354.36		
1	East Arnhem Regional Council	RTL	326.31	1	Alice Springs Town Council	URS	3,982.45		
2	MacDonnell Regional Council	RTL	278.85	2	City of Darwin	UCC	3,658.17		
3	Roper Gulf Regional Council	RTL	278.46	3	Litchfield Council	UFS	3,641.85		
4	Central Desert Regional Council	RTL	265.96	4	Katherine Town Council	URS	3,586.71		
5	Barkly Regional Council	RTL	231.15	5	Wagait Shire Council	RTS	3,313.47		
6	West Arnhem Regional Council	RTL	185.99	6	City of Palmerston	URM	3,158.08		
7	West Daly Regional Council	RTL	151.27	7	Coomalie Community Government Council	RTM	2,621.30		
8	Victoria Daly Regional Council	RTL	149.88	8	Victoria Daly Regional Council	RTL	2,130.65		
9	Tiwi Islands Regional Council	RTM	147.14	9	East Arnhem Regional Council	RTL	1,319.38		
10	Belyuen Community Government Council	RTX	143.44	10	Tiwi Islands Regional Council	RTM	1,176.91		
11	Katherine Town Council	URS	52.85	11	Roper Gulf Regional Council	RTL	1,167.44		
12	Alice Springs Town Council	URS	24.67	12	West Daly Regional Council	RTL	1,151.44		
13	Wagait Shire Council	RTS	22.44	13	West Arnhem Regional Council	RTL	1,001.11		
14	City of Darwin	UCC	21.74	14	Barkly Regional Council	RTL	860.95		
14	City of Palmerston	URM	21.74	15	Local Government Association of the Northern Territory Inc	N/A	761.19		
14	Coomalie Community Government Council	RTM	21.74	16	MacDonnell Regional Council	RTL	653.21		
14	Litchfield Council	UFS	21.74	17	Central Desert Regional Council	RTL	570.85		
15	Local Government Association of the Northern Territory Inc	N/A	0.00	18	Belyuen Community Government Council	RTX	400.33		

Appendix 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 each council.

The local governing bodies included in the classification system are those that receive funding under the Financial Assistance Grant program as defined under the Act. Therefore, bodies, declared by the Australian Government Minister responsible for local government (the Federal Minister) on the advice of the State Minister to be local governing bodies for the purposes of the Act, are included in the ACLG.

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 58 below 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, Local Government Grants Commissions advise of any changes to the actual location of councils, within the ACLG, in their state at the end of each financial year.

The Department of Infrastructure, Transport, Regional Development, Communications and the Arts is planning to phase out the ACLG framework and to replace it with the Australian Statistical Geography Standard's (ASGS') remoteness classifications, produced by the Australian Bureau of Statistics. If you have any questions or would like to provide comments or feedback, please email local.government@infrastructure.gov.au.

Table 58 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 (S)	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 (M)	30,001–70,000	UDM
EITHER		LARGE (L)	70,001–120,000	UDL
population density more than 30 persons per square kilometre		VERY LARGE (V)	more than 120,000	UDV
OR	REGIONAL TOWNS/CITY (R)	SMALL (S)	up to 30,000	URS
90 per cent or more of the local governing body population is urban.	Part of an urban centre with population less than 1,000,000 and predominantly urban in nature	MEDIUM (M)	30,001–70,000	URM
		LARGE (L)	70,001–120,000	URL
			more than 120,000	URV
	FRINGE (F)	SMALL (S)	up to 30,000	UFS
	A developing LGA on the margin of a developed or regional urban centre	MEDIUM (M)	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 3 per cent, population more than 5,000 and not remote			
population density less than 30 persons per square kilometre	AGRICULTURAL (A)	SMALL (S)	up to 2,000	RAS
AND		MEDIUM (M)	2,001–5,000	RAM
less than 90 per cent of local governing body is urban.		LARGE (L)	5,001–10,000	RAL
		VERY LARGE (V)	10,001–20,000	RAV
	REMOTE (T)	EXTRA SMALL (X)	up to 400	RTX
		SMALL (S)	401–1,000	RTS
		MEDIUM (M)	1,001–3,000	RTM
		LARGE (L)	3,001–20,000	RTL

Table 59 Categories of local governments by state at July 2019

ACLG categories	NSW	Vic	Qld	WA	SA	Tas	NT*	Australia
Urban Capital City (UCC)	1	1	1	1	1	1	1	7
Urban Developed Small (UDS)	1	0	0	10	2	0	0	13
Urban Developed Medium (UDM)	5	0	0	5	7	0	0	17
Urban Developed Large (UDL)	3	7	0	3	3	0	0	16
Urban Developed Very Large (UDV)	14	15	0	3	2	0	0	34
Urban Regional Small (URS)	8	5	5	3	8	4	2	35
Urban Regional Medium (URM)	18	11	8	5	1	2	0	45
Urban Regional Large (URL)	8	3	4	0	0	0	0	15
Urban Regional Very Large (URV)	3	1	9	0	0	0	0	13
Urban Fringe Small (UFS)	0	1	1	1	3	1	1	8
Urban Fringe Medium (UFM)	2	3	2	4	1	2	0	14
Urban Fringe Large (UFL)	2	1	0	1	1	0	0	5
Urban Fringe Very Large (UFV)	5	6	0	3	1	0	0	15
Rural Significant Growth (RSG)	0	0	0	1	0	0	0	1
Rural Agricultural Small (RAS)	2	0	0	51	10	1	0	64
Rural Agricultural Medium (RAM)	13	1	1	10	10	4	0	39
Rural Agricultural Large (RAL)	22	7	0	9	11	6	0	55
Rural Agricultural Very Large (RAV)	19	17	8	4	7	7	1	63
Rural Remote Extra Small (RTX)	3	0	7	5	4	0	2	21
Rural Remote Small (RTS)	0	0	10	5	0	1	1	17
Rural Remote Medium (RTM)	1	0	13	5	2	0	2	23
Rural Remote Large (RTL)	1	0	8	8	0	0	7	24
Total	131	79	77	137	74	29	17	544

Notes:

* NT total excludes Road Trust Account

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