



Rural and Regional Councils Sustainability Reform Program

Local Government Victoria,
Department of Environment, Land, Water and Planning

STAGE 1 PROJECT REPORT APPENDICES - 19 December 2017

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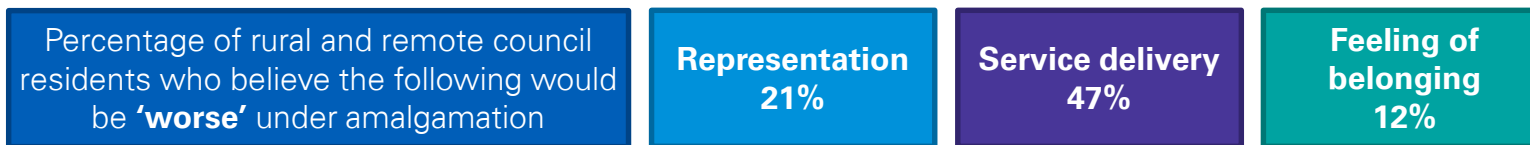
6.1 Value of rural and regional councils to the economy and community

Rural and regional councils are the 'backbone' of their communities

The view of local government as being confined to roads, rates and rubbish is long gone, in both practice and in terms of what communities expect. Australians want local government to be responsible for a diversity of activities in their local community, with planning for the future being among the most important.

Research from the Australian Centre of Excellence for Local Government (ACELG) has shown that the majority of Australians value local government more highly than they do either the federal government or the states and territories, with around 75 per cent of Australians surveyed believing that **local government is best able to make decisions about their local area**. Local government is also often the first point of contact for people in the community to solve issues or problems (e.g. pot holes, noise, advice on local community programs) even when local government does not directly provide the service.

Respondents living in rural and remote areas are generally more concerned about the consequences of amalgamation on local representation, cost of rates and impact on service delivery and their sense of belonging to the local area¹.



Local governments also matter because of their roles as 'place-shapers' and their importance in meeting the needs that most drive people's attachment to, and satisfaction with, the areas in which they live. Local consultations for this project revealed the depth of feeling local residents have for their local council as being a binding fabric of a local community. An example of this is the role that local government plays in community activities and programs like community health, library services, child care services and so on, that provide opportunities for connection and social cohesion. This sense of connection and the provision of services can mean healthier communities, and therefore greater wellbeing and productivity, leading to improved local economic activity.

Australians feel strong emotional connections to the local areas in which they live, providing them improved emotional wellbeing and a stronger sense of their personal identity. 65.6 per cent of respondents to a UTS study said it was extremely or very important for local government to have a role in community development². These feelings of attachment are generally stronger for people living in rural and remote areas³.

According to the research, and backed up by the consultation for this project, **this emotional connection between people and the place where they live is one of the strongest messages policy makers can take from the study.**

Source: (1) *Why Local Government Matters*, p. 128

(2) *Why Local Government Matters*, p. 124-26

(3) *Why Local Government Matters*, p. i

The role of local government in economic development

Local governments can range from major capital city councils through to smaller regional and rural councils, and even large (in land area) but small (in terms of population and services) remote councils. Consequently, councils differ in the wide range of services they provide. Despite this diversity, the *Australian Local Government Association* identifies the following general functions.

- Infrastructure and property services, including local roads, bridges, footpaths, drainage, waste collection and management.
- Provision of recreation facilities, such as parks, sports fields and stadiums, golf courses, swimming pools, sport centres, halls, camping grounds and caravan parks.
- Regulatory services such as water and food inspection, noise control, building inspections, and animal control.
- Health and community services, such as child care, immunisation services, aged care and accommodation, community care and welfare services.
- Planning and development approval.
- Administration of facilities such as aerodromes, jetties and marinas, cemeteries, parking.
- Cultural facilities and services such as libraries, art galleries and museums.
- Water and sewerage services in some states.

And while the remit of many local governments continues to expand, **economic development** is not necessarily perceived as a function of local government even though it may be undertaken by many local councils. Economic development can be understood as an 'additional function' for many organisations, including the majority of councils – it may be a corporate goal, but not necessarily an overriding service delivery objective. Rather than 'delivery', councils perceive their role in economic development as 'stewards' of an integrated economic development process through their oversight and provision of enabling services and infrastructure.

Broader OECD research classifies the role of local government in four main categories:

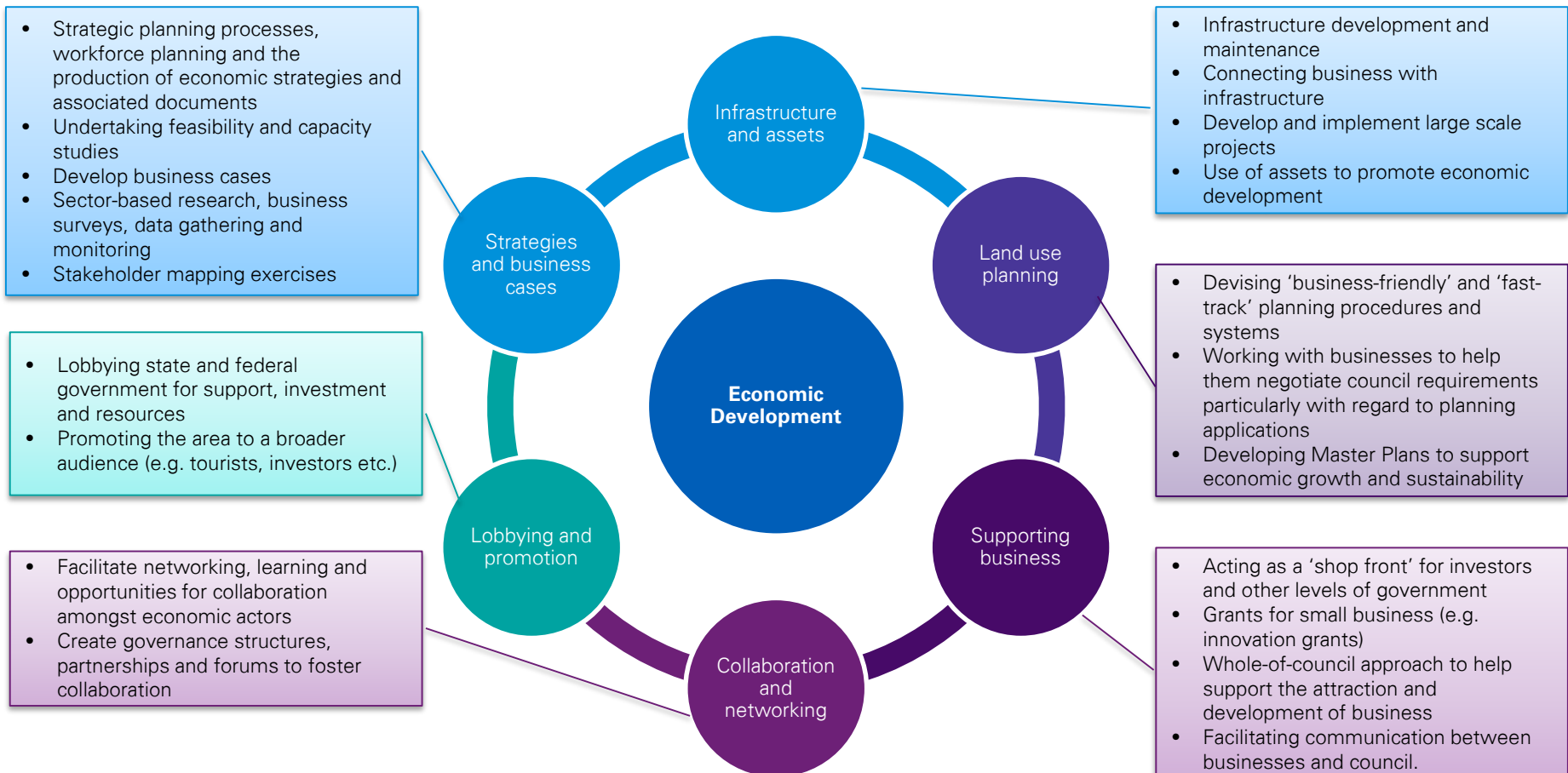


Source: Clark, G., Huxley, J. & Mountford, D. 2010, *Organising Local Economic Development: The Role of Development Agencies and Companies*, OECD Publishing, Paris.

The role of local government in economic development

During interviews conducted for the UTS study into the role of Australian local governments in local and regional economic development, respondents detailed a wide variety of roles that local governments play in the promotion, facilitation and support of local and regional economic development.

These cut across the OECD classifications of representation, services, regulation, and development and investment.



Source: Adapted from UTS, *The Role of Local Government in Local and Regional Economic Development*, September 2017, pp. 27-28.

The role of local government in economic development

Research from the Centre for Local Government at the University of Technology Sydney (2017; 2014) concludes that the lack of clarity on the role of local government in local and regional economic development is a serious issue. How councils view their role as economic development actors and how others (e.g. business, state government etc.) perceive the role of councils in promoting local and regional economic development is a crucial factor that influences the actual roles performed by councils. A key finding is the mismatch between perceptions and reality. This is apparent when higher tiers of government perceive the role of councils in a generic sense, which neglects each council's distinct capabilities, capacities and priorities. A more nuanced understanding of the role of councils in the contested policy field of economic development is required, which will require enhanced dialogue between different tiers of government and sectors of society¹.

The practice of local and regional economic development can mean considerably different things and terms such as, 'area-based development', 'local development', 'local economic development', 'community economic development', 'regional economic development' and 'subnational development' are often used interchangeably. For example, interviewees for the UTS study suggested that, typically in smaller councils, the responsibility for economic development falls under the community development umbrella².

Rural Councils Victoria states that ***"Economic development is about making the best use of available resources to drive employment growth, investment and economic activity regardless of the size and budget of the council. The scale of resources can range from a full team of dedicated officers to a conscious effort and application by different team members across the council"***³. This definition of economic development is a useful starting point as it refers to making the best use of available resources. The implication is that all places and councils possess resources that can support economic development goals, but it is how such resources are mobilised that is decisive.

As part of interviews conducted for the research there was variance in views about local government's role in economic development, across the spectrum between a focus on supporting business and wealth creation to a broader interpretation which encompassed ideas of community development, social equity and sustainability; mirroring growth-focused and holistic definitions of local and regional economic development.

Some stakeholders saw economic development as a link to sustainability, while other stakeholders presented a strategic role for local government in terms of economic development.

"Supporting small business is not the main role of local government in terms of economic development. Local government's role is more strategic. It is about creating conditions to facilitate opportunity, vibrancy and the transformation of city centres⁴"

"the ultimate goal [of economic development] is to support ... industries to create [and] retain employment and keep people in the region to create a sustainable community with the flow on benefits for health, education and other services⁴".

Source: (1) UTS, *The Role of Local Government in Local and Regional Economic Development*, 2017, p.6 .

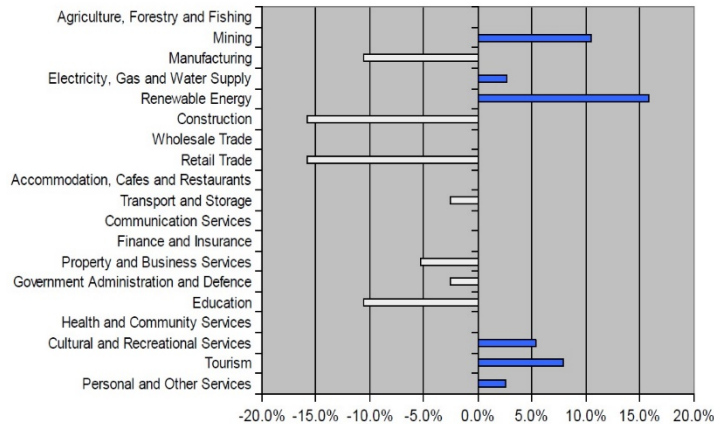
(2) *Ibid.* p.4.

(3) Rural Councils Victoria, *Economic Development Guidelines* 2014.

(4) UTS, *The Role of Local Government in Local and Regional Economic Development*, 2017, pp. 20-21.

The value of local government as an employer

Anticipated change in industries (2012 to 2021)



Source: Rural Councils Victoria, *Economic Development Activities and Capacity Audit*, p. 16

A 2012 report by Rural Councils Victoria assessed the 38 rural councils in Victoria and the five most important industries to the local economy at the time (2012) and the anticipated most important industries to the local economy in 10 years (2021).

Agriculture, Forestry and Fishing was nominated by the highest number of councils as being within the five most important industries to their municipality's local economy (92%) and is anticipated to continue to remain as important in the next 10 years. Tourism was predicted by 68% of councils, Health and Community Services (58%), Retail Trade (55%), and Manufacturing (53%) to be within the five most important industries to their municipality's local economy in 10 years.

Renewable energy is expected to be the most significant emerging industry of importance to local government economies with a 16% increase in the number of councils predicting this industry to be within the five most important in 10 years as compared to currently (5% of councils in 2011; 21% in 2021). Other predicted changes are the decreasing importance of Manufacturing (11% of councils), Education (10%), and Property and Business Services (5%).

Sources: (1) Rural Councils Sustainability Project, Stage 1 Final Report, February 2015, p. 1.

(2) Source: Hastings, C., Ryan, R., Gibbs, M. & Lawrie, A. 2015, *Profile of the Australian Local Government Workforce 2015 Report*, Australian Centre of Excellence for Local Government, Sydney, p. 9.

Local government as a place-based employer

Local government plays a significant role in generating local employment, particularly in small rural communities with small populations and greater distances to regional centres. Rural Councils Victoria research also showed that there are significant community expectations about local government's role as an employer of choice, particularly in relation to front of house operations such as the outdoor workforce and home and community care¹.

The total local government workforce equates to 1.6% of the Australian workforce. Importantly, local government is a significant employer in rural and regional areas².

Given that employment is often central to notions of economic development, local government's role as an employer continues to affirm that councils can be important economic actors, but does little to shine light on the functions they can perform in the pursuit of local and regional development goals. Given it should not be assumed that councils will continue to be major employers over future decades, local governments need to consider how to deploy their resources, utilise their capabilities and marshal the capabilities of their localities to continue to drive economic development.

How local government is driving economic development

There are many examples of local councils driving economic development for their local area, including the below two examples from regional Victoria from recent National Awards for Local Government.



Winner – Contributing to Regional Growth (2016)
Swan Hill Rural City Council
Pioneer Settlement Redevelopment – Heartbeat of the Murray

Swan Hill's Pioneer Settlement is a living history museum which interprets and activates pioneering life in the Murray/Mallee region from 1830 to 1930. Swan Hill Rural City Council has recently undertaken a significant redevelopment of the ageing Pioneer Settlement that has transformed it into a thriving tourism attraction. The redevelopment was driven by falling visitation, ageing infrastructure and an increasing Council subsidy to operate the Pioneer Settlement.

The redevelopment has provided direct and indirect economic benefit to the region, created jobs and stimulated private sector investment in the Pioneer Settlement. In the short time since the changes, the visitor numbers have increased and are on target to meet an increase of 20 per cent in 2016. A local plumbing company has also benefited from work at the Pioneer Settlement with a national company for an international project.



Winner – Contributing to Regional Growth (2015)
Northern Grampians Shire Council
From Italy to Stawell – the Stawell Underground Physics Laboratory

Construction of the Stawell Underground Physics Laboratory will create the first underground dark matter detection laboratory in the Southern Hemisphere, forming part of a network of major research laboratories around the globe. The laboratory is being constructed in the Stawell Gold Mine which is transitioning to closure due to economic and operational business factors after 30 years. The council has worked together with the mine's owners, business, research, training and regional development organisations to identify new opportunities for the mine site. It led a search to identify responses to the economic and social losses resulting from the closure of what was Stawell's largest employer. The result is the Stawell Underground Physics Laboratory, a partnership between the council, the ARC Centre of Excellence for Particle Physics at the Terascale, the Italian National Institute for Nuclear Physics, Crocodile Gold and other Australian and international organisations.



Sources: (1) Local Government Focus, <http://www.lgfocus.com.au/editions/2016-08/councils-high-achievers---this-month-from-pioneer-settlement-team-swan-hill-rural-city-council-victoria.php>
(2) National Awards for Local Government 2016 Winners Book, http://regional.gov.au/local/awards/2016/files/2016_NALG_Winners_Book.pdf

Source: National Awards for Local Government 2015 Winners Book, http://regional.gov.au/local/awards/2015/files/NALG_winners_book_2015.pdf



6.2 Examples of best practice in local government

Overview

To analyse emerging trends and best practice, KPMG have reviewed and assessed a range of Australian and international case studies that are relevant to the Victorian rural and regional local government sector.

'Whole of System' International Case Studies

We have assessed three international examples from a whole-of-system perspective: New Zealand, England and Sweden. For context, the key characteristics of each country are outlined below.

A specific assessment of each country's LGA operations, funding and relevance to the Australian context is provided on the following three slides.

1. New Zealand

- **Population:** 4.69 million
- **Number of LGAs:** 78
- **Functions of local government:** waste management, water, local roads, land management, parks, libraries, regulation of specific activities, planning, community improvement, social welfare (to a limited degree), and public utilities

2. England

- **Population:** 65.64 million
- **Number of LGAs:** there are five types of local authority in England: county councils, district councils, unitary authorities, metropolitan districts and London boroughs. There are currently nine Combined Authorities, which are a collection of two or more councils.
- **Functions of local government:** Combined Authorities have powers over transport, investment, social and environmental schemes

3. Sweden

- **Population:** 9.90 million
- **Number of LGAs:** 20 county councils and 290 municipalities
- **Functions of local government:** childcare and pre-school, primary and secondary schools, social services (including elderly care, support to people with disabilities) health and environmental issues, emergency services (not policing), urban planning sanitation (waste, sewage)

'Best Practice' Case Studies

1. Queensland Treasury Corporation (Australia)

2. Queensland Regional Roads and Transport Groups (Australia)

3. Hello Novi! City of Novi, Michigan (USA)

4. Digital Transformation (UK)

5. 'Rewiring Public Services' campaign (UK)

6. Services Victoria (Australia)

International Case Study – New Zealand

1

New Zealand

Overview

New Zealand's local government structural arrangements were reformed in 1989, when approximately 700 councils and special purpose bodies were amalgamated to create 86 local authorities. These reforms largely succeeded in enhancing administrative capability and operational efficiency by increasing the uptake of shared services and centralisation of certain back-end functions. These back-end functions include shared computer systems, accounting services, data management (especially filing storage and retrieval), geographic information systems, asset records, various administrative services, and professional and technical services in planning and engineering. Following further amalgamations in 2010, there are now 78 local authorities, comprised of 11 regional councils and 67 territorial authorities (city/district councils and unitary authorities). Under New Zealand's centralised unitary system of government, local councils exist as statutory delegations that can be amended or revoked at any time.

Funding

Rates are the primary way councils fund their activities. The *Local Government (Rating) Act 2002* (the LGRA) provides councils with flexible powers to set, assess and collect rates from landowners. Councils also raise funds from new developments, petrol taxes, subsidies and grants and service fees and charges (e.g. access to local swimming pools). While local authorities raise much of their own funding, central government provides funding or subsidies toward particular activities (primarily road construction).

Outcomes and applicability to Australian context

New Zealand local governments are, to a large degree, financially self-sufficient when compared to international standards. They are much less reliant on grants than LGAs in other countries which may be attributable to the streamlining of back office functions and the use of shared services.

These reforms have been subject to criticism, however, with the smallest councils feeling under resourced to respond to local concerns. The top-down approach to amalgamation was also seen to alienate grassroots constituencies and some councils feel over-managed by central government mandates. It is also acknowledged that economies of scale are inherently less in regional and rural areas due to lower density and higher distances. While amalgamation and shared services can cut some administrative costs, they are not 'magic bullets'. Often the top two tiers of a New Zealand council staff only consume approximately 15 per cent of a local council's budget. This will be reduced but not eliminated by amalgamation or shared service solutions.

In addition, the NZ approach had significant central government oversight. As a result, while there is potential for greater efficiency in requiring standard approaches, the solution removes the incentive for LGAs to adapt new ways to better service their residents. Overly prescriptive practices may risk reduced innovation in governance and service delivery. There is also a risk that, while likely to be offset by longer term savings, it could be costly in the short term.

Sources: (1) Dollery, Keogh, and Crase, *Alternatives to Amalgamation in Australian Local Government: Lessons from the New Zealand Experience*, retrieved from: <http://www.anzrsai.org/assets/Uploads/PublicationChapter/186-Dollerysustainingregionsarticle.pdf>;

(2) Local Councils, *Local government in New Zealand*, http://www.localcouncils.govt.nz/lqip.nsf/wpg_URL/About-Local-Government-Local-Government-In-New-Zealand-Index

International Case Study – England

2

England

Overview

A Combined Authority enables a group of two or more councils to collaborate and take collective decisions across council boundaries. It is more robust than an informal partnership or joint committees. There are currently nine Combined Authorities. Combined Authorities were introduced in 2009 under the *Local Democracy, Economic Development and Construction Act 2009*. The intent behind the Act was to support voluntary pooled resources and responsibility between local authorities, particularly in the delivery of transport and economic policy. Once two or more authorities agree to amalgamate, and if all local authorities within the area have given their consent, their proposed scheme of the Combined Authority must be approved by the Secretary of State for Communities and Local Government. While established by Parliament, Combined Authorities are locally owned and have to be initiated by the councils involved.

In order to be established, it must be shown that the combined authority will “improve the exercise of statutory functions” in the area. They may be set up with or without a mayor. Under the 2009 Act, a combined authority could only undertake functions related to economic development, regeneration, or transport, or other functions that its member authorities agreed to transfer to it. In 2016 this was changed, so that the Secretary of State for Communities and Local Government could transfer other statutory functions or functions of public bodies to the combined authority.

Funding

Combined Authorities can draw funds (that have already been collected) from member councils. This is not a new tax but a shifting of money between tiers of government. Combined authorities can also borrow money. An example of this is for transport purposes, for which Combined Authorities are able to borrow money and can levy constituent authorities. Elected mayors of combined authorities can also raise taxes.

Outcomes and applicability to Australian context

Combined Authorities present a method to amalgamate two or more councils into a larger entity to share cost and rate collection burdens, and occupy a unique position between local and State government. If applied to an Australian context, this could raise issues in regards to autonomy particularly for smaller councils that would prefer to retain their identity and independent privileges. Geographical differences between Australia and England could also prove problematic, as many rural areas in Australia aren't near a large city, which can carry some of the cost and revenue burden of Combined Authorities.

Sources: (1) Local Government UK, Combined Authorities, <https://www.local.gov.uk/topics/devolution/combined-authorities>;

(2) UK Parliament, Combined authorities, <http://researchbriefings.parliament.uk/ResearchBriefing/Summary/SN06649>;

(3) House of Commons Library, 2017, Briefing Paper 06649: Combined Authorities, <http://researchbriefings.files.parliament.uk/documents/SN06649/SN06649.pdf>

International Case Study – Sweden

3

Sweden

Overview

The majority of Swedish public administration is carried out at the local level. There is no hierarchy between municipalities, county councils and regions, as all have their own governance authority and responsibility for different activities. Municipalities and county councils are responsible for supplying a range of social, educational, health-focused and environmental services to their citizens.

Funding

Based on calculations along various metrics, councils are ranked against a national average. Richer areas then subsidise the activities of poorer areas. In practice this means citizens of Stockholm counties and suburbs pay a net grant to the rest of the country, resulting in all counties being on relatively equal footing to conduct their activities, regardless of income. The funding approach is divided into five parts: income equalisation, cost equalisation, a structural grant, a transitional grant, and an adjustment grant/charge.

- Income equalisation: this compares a local council's taxable income to 115 per cent of the national average tax capacity (for cities, 110 per cent for rural) and then alters taxes based on this.
- Cost equalisation: the aim of cost equalisation is to even out the differences in structural costs. Cost equalisation covers age structure, ethnicity, socioeconomic conditions and geography, as well as extra structural costs for wages. For example, a council with many elderly residents may need more money for elderly care services. In such a case, the central government would issue a grant to that council to alleviate the cost, paid for by those councils with less of a cost burden stemming from elderly care.
- Adjustment grant and adjustment charge: these are used to ensure that the government grant is not affected by the level set in income equalisation and to ensure at the same time that the Government has control over the total cost of the equalisation system.

Local authorities have the right to levy taxes to carry out their tasks. This taxation right is also set out in the Constitution and forms part of the concept of local self-government. Most of the differences in revenue between councils in the Swedish system are made up for through grants from the federal government.

Outcomes and applicability to Australian context

This funding approach seems to produce the best results for the smaller and more sparsely populated council areas, but probably at the highest cost. Differing philosophical frameworks between Australia and Sweden could prove problematic. The report 'Local government financial equalisation: *Information about the equalisation system for Swedish municipalities and county councils in 2008*' by the Swedish Association of Local Authorities and Regions notes that, while there is broad consensus on socialist solutions like this in Sweden, it is unclear whether this be the case in Australia.

Sources: (1) Ministry of Finance Sweden, Local government financial equalisation https://skl.se/download/18.2625f9e6145ac763d07be205/1401096394880/Local_government_financial_equalisation_SALAR.pdf
(2) Local Government Act (Sweden), <https://web.archive.org/web/20050220081642/http://www.regeringen.se/content/1/c4/06/96/34cb7541.pdf> ;
(3) Swedish Association of Local Authorities and Regions, <https://skl.se/tjanster/englishpages/municipalitiescountycouncilsandregions.1088.html>

Case Study – Queensland Treasury Corporation

1

State-wide agency for borrowing

Overview

Many local councils seek to balance their budgets and avoid incurring debt. However, debt can be a useful way for councils to fund long-term infrastructure projects and necessary short-term expenditure, while continuing to provide adequate services to the community. In addition, councils' 'treasury management' practices may, at times, not utilize the full potential of their financial assets. In Queensland, South Australia and New Zealand, local government borrowings (and some investments) are handled collectively by a state-wide agency. While the models differ, the intent is to reduce borrowing costs considerably.

The Queensland Treasury Corporation (QTC) is the Queensland Government's central financing authority and corporate treasury services provider, with responsibility for sourcing and managing the debt funding to finance Queensland's borrowing requirement in the most cost-effective manner. It is also responsible for providing financial and risk management advice and services to the Queensland Government and Queensland's public sector bodies (QTC's clients).

The QTC has sought to address the issue of councils' reluctance to incur debt by allowing councils to access loans at the same interest rates as the state government. These loans are markedly lower than the rates of interest normally available to councils. On average, the interest rate saving to councils is estimated to be around two per cent. QTC also works closely with councils to assist them to effectively manage their financial transactions, minimise their financial risk and achieve the best financial solutions for their organisation and the State.

Opportunities to leverage the model

The simplicity and low administrative costs of the Queensland Treasury Corporation could be replicated in Victoria to support local governments. In addition, the *Final Report of the NSW Independent Local Government Review Panel - October 2013* suggests that a very small surcharge on the interest rate payable (say 0.1 per cent) would be sufficient to fund a free or low-cost advisory service to help improve councils' treasury management practices and financial governance generally.

Potential outcomes

The same *Final Report of the NSW Independent Local Government Review Panel* estimates that potential savings for NSW could be up to \$600 million over 10 years if all council borrowings are progressively transitioned to a revised funding model. This estimate is based on a 2 per cent saving on a \$3 billion loan balance, and is presented as an indication of significant savings potential for Victorian local governments. Actual savings would be dependent on trends in councils' use of debt and how many councils participate in a state-wide facility.

Source: NSW Independent Local Government Review Panel, 2013, *Revitalising Local Government*, <https://www.leichhardt.nsw.gov.au/ArticleDocuments/1266/final-report-independent-review-panel.pdf.aspx>

Case Study – Regional organisation

2

Regional Roads and Transport Groups

Overview:

Regional Roads and Transport Groups (RRTGs) are a forum for local governments to work with each other and the Queensland Department of Transport. Local governments collaborate through these groups, including undertaking joint-decision making, planning and investment, sharing resources and transferring technical knowledge. State government officials provide input through a Technical Committee of senior local and State government officers. RRTGs operate under a Memorandum of Understanding between the responsible Minister and the Local Government Association that establishes a state-wide Roads and Transport Alliance. Each RRTG is required to meet annually in a state-wide gathering.

Key features of the model:

RRTGs are a unique opportunity for LGAs meet and share knowledge, expertise and innovative techniques. In addition, they effectively link with State government officials who may provide a different perspective to issues and, importantly, work in a different authorising environment. This collaboration between LGAs and State government representatives may impact the design and funding of future state government projects.

Potential outcomes:

In Victoria, LGAs could benefit from a regular communication channel to share best practice or use expertise to resolve potential issues. A group with similar characteristics to an RRTG could support LGAs to communicate and learn from each other, as well as communicating with the State government as it offers the opportunity to support technical and financial cooperation.

Source: NSW Independent Local Government Review Panel, 2013, *Revitalising Local Government*, <https://www.leichhardt.nsw.gov.au/ArticleDocuments/1266/final-report-independent-review-panel.pdf.aspx>

Case Study – Population attraction

3

Hello Novi! City of Novi, Michigan USA

Overview

The City of Novi in Michigan USA, in partnership with Novi Community School District, Northville Public Schools, and Walled Lake Consolidated Schools, has launched an online community attraction tool, 'Hello Novi!' (hellonovi.org). The site provides an engaging, technologically-driven platform for anyone, near or far, to become acquainted with the Novi Community. Users can explore the interactive map to learn about one of three different categories, Live, Work, or Play. The categories offer a glimpse of the exemplary educational opportunities, high-quality public services, and robust private employment locations within the City of Novi.

Key features of the model

Hello Novi provides basic information on City amenities and attractions to prospective residents through a dynamic and engaging platform. This project successfully integrates information from a diverse array of sources including, the City, four separate school districts, and the private sector, into one unique platform to provide a comprehensive picture of the City of Novi. This project utilizes traditional informational content, but also uses location-based presentation, and share-based social media. These three content types integrate to provide the user with the experience of traveling down a Novi street in an augmented reality.

Potential outcomes

This program is reported to have significantly improved the City of Novi's capacity to attract residents or visitors. An ordinary website can only portray a community's sense of place to a certain extent. Yet as the world is becoming increasingly mobile, there is a growing need to convey this type of information from a distance. This tool enhances and expands our ability to introduce Novi from afar. Whether relocating for work, or by personal choice, this new platform helps to overcome geographical boundaries. The website features a Google translate option to facilitate understanding in dozens of languages.

Hello Novi is aimed to be especially useful for families looking to move to the region more generally, or those relocating specifically to Novi for an overseas work assignment. The site provides information that allows parents to make important decisions, including what school district to enroll their child in.

Source: Alliance for Innovation: Transforming Local Government <http://tlgconference.org/index.aspx?page=302>

Case Study – Digital transformation

4

Digital connectivity

Overview

A partnership of UK councils are jointly funding a responsive, independent, not-for-profit consultancy, Smarter Digital Services, to help them to achieve their digital ambitions. The Smarter Digital Services team was created in 2013 with the strong support of Local Authority Chief Executives, to help councils to improve and increase their digital and online services, realise efficiency savings and most importantly enhance customer experience. The Smarter Digital Services team is unique in the way it is self sustaining, being jointly funded by contributions from the local authorities it works with. The team has already started doing paid work for other local authorities not in the partnership and going forwards is looking to develop this commercial approach.

Key features of the model

Customers now expect and want to access services digitally. The Smarter Digital Services Team are adaptable and flexible, constantly learning new skills to help support partners get to grips with new digital developments and the opportunities these bring. The team have skills and expertise in: User research; User testing; Business process analysis and re-engineering: analysing and capturing data, cost to serve analysis, stakeholder engagement, process mapping, end to end digital service design, LEAN design approaches; Developing innovative solutions based on user needs; and Website development and improvement. In addition to this the team share good practice, industry knowledge and practical insights and deliver workshops and training free of charge to their partners.

Potential outcomes

Many of the projects the Smarter Digital Services team have worked on with their local authority partners have resulted in cost savings for the local authorities. Some examples of these include:

- All Kent Councils: Development of an online homelessness triage tool and housing application pre assessment.
- Shepway: Introducing an EventApp to save council officers time as well as making the application process a lot easier for customers.
- Tunbridge Wells: User testing the website showed just 60% were successful at finding out what day their bins were collected. Subsequent changes to the webpages has meant that now 89% are successful, reducing the numbers of residents contacting the council about this.

Key lessons learned to date

- Digital transformation is only partly a technological challenge, most of it is people
- Understand user need and re-design services around this
- Start small, iterate and improve - an accumulation of small successes, makes a big difference.
- Technology should be an enabler.

Source: UK Local Government Association <https://www.local.gov.uk/smarter-approach-digital-transformation>

Case Study – New service delivery models, UK

5

‘Rewiring Public Services’ campaign

Overview

Many councils in the UK have been hit hard financially since 2010. Consequently, many councils have already worked together to share chief executives, management teams and services in order to improve services and release efficiency savings. A key objective of the LGA's 'Rewiring Public Services' campaign is to transform public services so that they prevent problems instead of just picking up the pieces.

For those councils who have already shared all services and management, applied systems thinking and LEAN processes and improved their procurement practices – new services and governance models are emerging as an answer to “What’s next for innovative council operations?”

Examples of new models being used include:

- East Riding of Yorkshire and Scarborough Borough Council – the Virtual Commissioning Council: An internet based ‘virtual customer service centre’ is being created to provide a platform for use by all public sector partners to develop personalised public services. This should move the focus of commissioning to the needs of people, rather than what the system allows. This ambitious approach requires upfront funding, but should lead to significant financial gains through accurate commissioning based on actual need and improved service delivery in the future.
- Birmingham City Council – Loyalty Reward Scheme Proposal: Birmingham City Council (BCC) plan to implement a loyalty reward scheme across the whole council. This incentivisation scheme will encourage behaviour change, reduce demand on high cost services to release efficiencies and generate income for the council. A trial has been competed in partnership with Nectar to help change paper recycling and leisure behaviour. The trial concluded there is now a need for specialist support to move into full-scale implementation of a loyalty reward programme across the council.
- Trafford MBC and Amey – joint trading venture: Trafford aim to create a joint trading company which will make a commercial return through supporting other councils and NHS bodies with their efforts to integrate health and social care. Trafford intends to share their very successful approach with these public sector organisations and involve local people in the process too. The aim is to transform services, generate income and create new opportunities for staff.
- Rushcliffe Borough Council: Streetwise – Developing a social franchise: Streetwise currently provides a wide range of grounds maintenance, street cleaning and environmental services to the council and a number of parish councils. The council has an ambitious vision to transform this service into a successful social enterprise with the longer-term aspiration of it developing into social franchise. This project will reduce costs to the council, build the capacity of community involvement, promote social inclusion, and secure and grow employment.

Source: UK Local Government Association, <https://www.local.gov.uk/new-models-service-delivery-and-creative-councils>

Case Study – Australia

6

Services Victoria

Overview

Victorian citizens complete 55 million simple transactions with Victorian Government department, agencies and other public sector organisations. Citizens expect ease, simplicity and accessibility when undertaking government transactions – just like they do when they transact with private sector organisations (e.g. banks, airlines, etc.). These expectations are not being met. Customers view government as complex and difficult to navigate. Simple transactions can require multiple, cumbersome and manual processes.

To address this problem, the 2015-16 State Budget approved the establishment of Service Victoria to transform the way citizens transact with government. The benefits of this investment will be:

- Improved customer satisfaction and productivity from government transactions - improved consistency across government, reduced time spent by customers undertaking transactions and higher customer satisfaction
- Increased compliance with regulation and increased effectiveness of government policy and regulations - increased access to information will improve customer understanding of regulatory requirements
- Increased productivity of government in providing transactions – by optimising the way government provides services (e.g. increased use of digital platforms), government can reduce its costs

Key features of the model

The funding was allocated for a three year program to:

- Digitise the delivery of selected agency transactions (for example, VicRoads licence and registrations; birth, death and marriage certificates and working with children checks)
- Commence initial planning work to modernise non-digital channels (for example, existing customer service centres, web-support and call centres)
- Establish Service Victoria as the responsible entity for delivery of these reforms – a single point of contact for citizens transacting with government.

Potential outcomes

Government's investment in Service Victoria demonstrates a clear commitment to improve the way citizens interact with government – placing them at the centre of service delivery. Over time, it is reasonable to assume that local government transactions could be placed on the Service Victoria platform, further enhancing citizens experience and providing a one-stop-shop for people engaging with all levels of governments.

In addition to providing a potential transaction platform, local governments may also play a vital role in supporting Service Victoria deliver on its objectives. For example, local governments, particularly in regional and rural areas, may host Service Victoria outlets (e.g. pop-up sites) and accommodate other outreach support services (e.g. photo-point locations).

Source: Services Victoria, <https://www.vic.gov.au/services.html>



6.3 Summary of project consultations

Overview

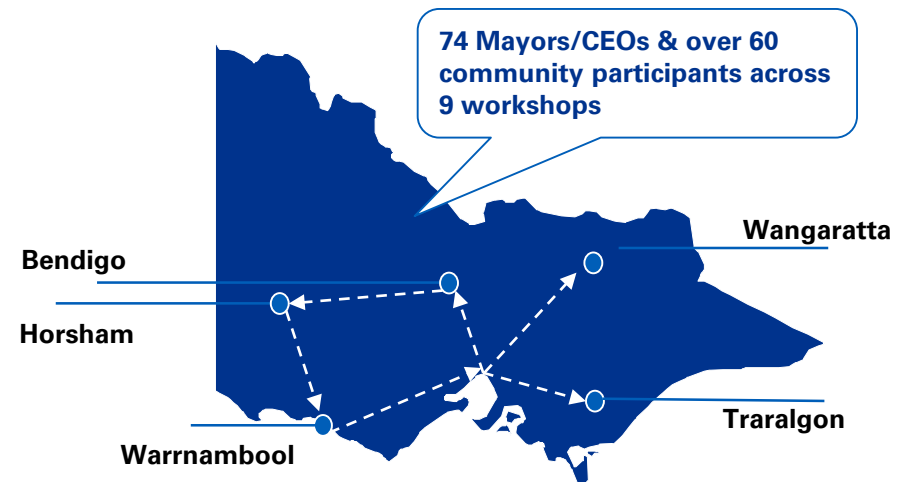
Overview

This report outlines the key issues, barriers and potential solutions that were raised in consultations with six Peak Bodies, as well as at five Council Workshops and four Community Workshops. The workshops were held in Wangaratta, Traralgon, Bendigo, Horsham and Warrnambool, with some follow up consultations held by phone for those unable to attend. Feedback received as part of the workshops is presented in line with the domains that comprise council sustainability: Capability, Financial Performance, Efficiency, Effectiveness and Context.

Key considerations

The consultation findings should be read with the following considerations in mind:

- Of the 48 Local Government Areas (LGAs) that were in scope, representatives of 38 LGAs participated in the workshops (see pages 37-42 for list of shires and participants).
- The participant list indicates those who were invited to attend. There are some instances where those participants were either represented by another party, or they were unable to attend. There were also a small number of additional participants in the Horsham community workshop who were not registered to attend and as such, their names were not noted.
- There were a mix of Small Shires, Large Shires and Regional Cities representatives in each workshop.
- Where possible, the distinction of issues, barriers and solutions between the Small and Large Shires and Regional Cities cohorts was noted, however some issues, barriers and solutions were common across all three LGA cohorts.
- Many participants in the community workshops were former council staff or councillors.
- Whilst the feedback has been organized under one of the domains that comprise council sustainability (Capability, Financial Performance, Efficiency, Effectiveness and Context), some feedback could effectively sit under more than one of these categories.
- The feedback is aggregated, and consolidated with consistent themes across all regions and LGA. Where there is a core difference in feedback in one particular region, LGA or cohort, this has been stated.
- Many suggestions from the community workshops are focused on reinvigorating regional and rural economies and communities rather than directly addressing council sustainability.



Overview: Issues and Barriers

A number of barriers to ongoing sustainability were raised during the five regional workshops. Many barriers were common across all regions, with other barriers being region specific. The key barriers to sustainability that arose during in the Community and Council workshops are presented at a high level below:

Council Workshop:

1. **Rates:** Despite rate capping, residents don't have any further capacity to pay. Declining populations also have a negative impact on rates revenue.
2. **Grants funding:**
 - Grants formulas do not consider all relevant factors
 - Need for untied grants to meet LGA specific priorities
3. **Asset management:** Grants often available for new infrastructure, but there is no ongoing funding available for the ongoing maintenance costs
4. **Delivery of state government services:** This often falls to local government as a last resort service provider, partially driven by community expectations
5. **High levels of red tape,** making service delivery more expensive and time consuming. For example the LGA Act limits ability for councils to collaborate on Emergency Services.

Community Workshop:

1. **Capability of councillors and staff:** Councillors not seen as having the appropriate skills or expertise to manage a council (seen as a large, complex business). Similarly, council staff may also need up-skilling.
2. **State Government policies:** Councils are often required to be the 'provider of last resort' where state government no longer/does not provide a service that is considered a local priority or need
3. **Economic development:** Lack of regional jobs a key barrier to creating a vibrant community, negatively impacting council sustainability.
4. **Rates calculation methodology:** Outdated calculation which is considered inequitable and lacks alignment with other council services
5. **Roads:** More maintenance required overall. The current council/VicRoads maintenance approach is not working.

Overview: Options for reform

Option for reform varied by region, depending on the specific challenges faced regionally. However, some options such as shared services arrangements for back office functions were common across all regions.

Council Workshop:

1. **Shared services:** For back office functions such as payroll, record keeping, IT, to minimise administration costs. There is also scope to share other services such as waste management or health administration.
2. **Establish minimum levels of service**
3. **Funding arrangements:**
 - Change grants calculation formulas: to more accurately reflect the costs of service provision
 - Consider different redistribution of other taxes including income tax or GST.
 - State Government to pay rates on state owned buildings
 - Allow Local Government to raise revenue in innovative ways e.g. running a business
4. **Better connectivity to regions:** such as rail or air links to attract new residents and improve liveability
5. **Immigration to boost population levels:** Allow immigrants or refugees from country areas to live and work in Victoria's regional areas. (Warrnambool)

Community Workshop:

1. **Capability:** Additional mandatory training required for councilors to improve their skills
2. **Establish minimum levels of service:** To ensure that all residents have access to essential services regardless of location
3. **Red tape:** From both the local and state levels of government. For example: difficulty in acquiring funding for emergency relief funding
4. **Partnerships and shared services:** For back office functions such as payroll, record keeping, IT, to minimise administration costs. There is also scope to share other services such as waste management or health administration.
5. **Regional statutory and strategic planning**
6. **Improved state/local government relationships:** Greater local engagement by the Minister for Local Government and a general shift in the negative rhetoric about councils from State Government
7. **Roads:** New approach to the system of local council/VicRoads road maintenance

Context

All local councils have a unique context underpinning the challenges they face in achieving sustainability. Some of these challenges are common between many rural and regional councils – such as dispersed, ageing populations and projected population decline. Others contextual factors vary more significantly such as varying levels of connectivity to Melbourne and other regional centres. International immigration was proposed as one option to combat population decline, for example providing opportunities refugees who are originally from rural places to live in rural Victoria.

The ability to attract and retain residents is an ongoing challenge for rural and regional councils. Various suggestions were made including increasing the first home buyers grant. A suggestion to combat the lack of jobs in some regions is to leverage “work from home” arrangements that are increasingly available with improving technologies, for those who want to keep a Melbourne-based job but live regionally.

These contextual factors influence the kinds of services that need to be provided by councils, as well as rates revenue due to the declining populations.

Group	Summary of key ideas
State Government agencies/ Peak Bodies	<ul style="list-style-type: none"> • Reporting: Despite councils preparing a range of reports, there's a lack of information on outputs/outcomes so councils cannot be transparent and accountable about the trade-offs associated with decisions made by other levels of government • Dispersed populations, makes service delivery (e.g. garbage collection) more expensive. • ageing population: shifting service demand • Connectivity: Huge issues for some rural councils (for example West Wimmera) and needs to be improved state wide
Community	<ul style="list-style-type: none"> • Immigration: Commonwealth government to review immigration policies for those who would like to live in regional Victoria. For example refugees who previously lived in country areas but are currently forced to live in the city. These people bring relevant skills from their past education and careers. • Mental health: Regional Cities suffer from high levels of mental health which needs to be addressed before any other solutions can be considered – local communities need greater investment which includes increased mental health workers. • Connectivity: A lack of effective transport and connectivity to many of the regional shires and centers. • Regional representation: To help reduce the ‘us and them’ mentality between Melbourne and the Regional communities, communities would like to see better representation at state government. State Governments could call out council and community success stories. • Local Advocacy: Local Government has advocacy value in that, particularly in small shires, it is the first and only point of contact that a community can have with Government • Employment Opportunities: Young people are increasingly moving out of areas, particularly out of the small and large shires as they feel there are few opportunities for work and jobs. • Digital innovation: Improvements in technology will see further reduction for some types of farming, leading to reduction in jobs in that community. • Internet connectivity: Individuals who are not connected to the internet rely on the shire and libraries in order to provide them access in order to meet requirements that they interact with Government online.
Councils	<ul style="list-style-type: none"> • Immigration: May be used to boost population levels (Warrnambool) • Incentivise moving to regional areas: This will help to boost population numbers. Potential incentives include increasing the first home buyers grant for houses in regional areas. • New regional centres: The State Government should identify new regional centres for investment that focuses on the next ring further out from Geelong, Bendigo and Ballarat, such as Horsham and Swan Hill. • Know Your Council: This data helps councils to be open and transparent and could be used for more formal benchmarking • Immigration: Commonwealth government to review immigration policies for those who would like to live in regional Victoria. For example refugees who previously lived in country areas but are currently forced to live in the city. These people bring relevant skills from their past education and careers.

Financial Performance: Issues and barriers

It is widely agreed across the three groups that councils are facing significant challenges in terms of financial performance. These include both cost and revenue factors. Cost factors include a higher cost of delivering services in rural/regional areas and the provision of state government services without accompanying financial compensation. Revenue factors broadly include both rates and grants. In terms of rates, the calculation formula is considered flawed and inequitable, however rate capping was not considered to be a serious issue given many residents' limited capacity to pay. In terms of grants, the councils felt that available grants reflected state rather than local priorities and that the calculation method for the provision of grants is flawed. It was also noted the process of applying for grants from State Government is burdensome and costly.

Group	Summary of key ideas
State Government agencies/ Peak Bodies	<ul style="list-style-type: none"> • Financial performance is a huge barrier for rural councils who are increasingly being asked to deliver services such as childcare and youth services. Financial Assistance Grants are insufficient. • "Cost shifting": Not perceived by some stakeholders to be a problem as councils are able to say no to taking on additional services if they cannot afford to provide them. • Lack of control: No control over long term funding, The Victorian Government creates year-to-year funding schemes, makes it very difficult for councils to plan for the long term. • Shocks: Councils have been hit by a series of (political) financial shocks: defined superannuation, freezing of indexation on FAGs, rate capping. • Pricing: lack of understanding in councils around the cost of their services • Rate caps: A large number of applications for a higher rate cap are small shires with limited sources of alternative revenue. They are in a better position to demonstrate a long-term funding needs. Despite rate capping, limited capacity to pay.
Community	<ul style="list-style-type: none"> • Rate affordability: Rate payers can't afford to pay more rates – the existing rates system does not promote equality. • Revenue: Money is saved by cutting back on services, but there are not sufficient opportunities to raise revenue in some small shires. • Grant applications: Applying for grants is expensive and local communities lack the cash reserve in order to finance the process of application. • Cost of services: Cost of services are higher in rural areas, a factor which is not consistently taken into account by State Government when calculation costs. • Salaries and operational costs: enterprise bargaining agreements are barriers due to the cost restrictions and are built in a way that disincentivises change. • Economic development: Economic development is discretionary spend, and when there is pressure to cut costs, this is what gets cut, despite being pivotal to maintaining the sustainability of a community. • Investment levers: Some of the councils feel like that are running out of financial levers with which to respond to financial pressures which is leading to a sense of resignation and fear of future amalgamations. • Tax Constraints: Local businesses are taxed out of business and are outsourcing work to other countries to avoid payroll taxes.
Councils	<ul style="list-style-type: none"> • Rate capping: Despite the rate capping restrictions, the community does not have any further capacity to pay. • Grants funding: Grants are available for specific state government priorities that may not match local needs. • Asset management: Grants tend to be available for the construction of new assets, with no recurrent funding available for the ongoing maintenance requirements for these assets. • Investment in regions: Lack of investment confidence due to the lack of long-term contracts, funding and legislation • Volunteerism: ageing population presents a key challenge as many volunteers who help the community are ageing. This currently saves money in providing some services. • Financial stress: Voluntary consolidation of smaller councils will happen, eventually, and be caused by financial stress

Financial Performance: Options for reform

Across workshops and in consultation with State Government agencies/peak bodies there was a discussion of potential options to improve financial performance, and it was broadly agreed that both rates and grants formulas need to be reviewed. Additionally, some peak bodies suggested that the State Government should assist councils by advocating for continued indexation of FAGs and ending the requirement for minimum grants to all councils.

Peak Bodies and Councils also argued that State Government should provide funding in the cases that councils are required to provide services on its behalf. Similarly communities and councils suggested they should receive funding for maintenance of crown land and related assets. One proposed option was to allow Local Government to charge rates on State and Commonwealth government land/assets such as schools. Councils discussed their ability to raise revenue in innovative ways such as through a company, however this was not raised by any of the other groups.

Amalgamations were not perceived to be a viable option by peak bodies, whereas some councils discussed the possibility of voluntary amalgamations if long-term sustainability of small councils could not be achieved. The community generally felt that amalgamations should not be ruled out.

Group	Summary of key ideas
State Government agencies/ Peak Bodies	<ul style="list-style-type: none"> • Create state-wide EBA: there are currently 79 that require renewal every three years. This creates unnecessary cost and complications for councils • Funding for delivery state government services: Vic Gov't to pay for cost of delivery of services such as libraries, maternal and child health, and HACC. • Amalgamations: This is not seen as a viable option for reform as it will create larger councils with the same issues • FAGs: Vic Gov't advocate to Fed Gov't to change requirement for minimum grant to all councils, and for continued indexation • Incentive Fund - to enable councils to look at ways to increase revenue, likely to benefit areas that can expand (the visitor economy, renewable energy). • Road funding: Increase roads to recovery (Fed Gov't) and replace CRBP and LGIF with program to support asset renewal • State-wide rating agency: Create one state-wide, consistent agency that sets and collects rates, the SRO may have the capacity to undertake this role
Community	<ul style="list-style-type: none"> • Review of rate system: Need new methodology should be developed for calculating rates. Old system is based on property-related services and council services are now much broader. • Crown land: If Councils are expected to maintain crown land and related assets they should receive appropriate funding for these activities. • Investment: to increase revenue streams, councils could consider investing in profitable enterprise and other entrepreneurial activities in the local community, such as buying or funding local shops or services such as bakeries. • Funding: A restructure of funding sources is required to offset rate weaknesses. • Incentives: Incentives could be used to encourage councils and communities to share services and pursue regional opportunities. • Amalgamations: Amalgamations are not necessarily the answer, however they should not be ruled out. There is concern regarding current capability with some councils, which would make amalgamations risky however.
Councils	<ul style="list-style-type: none"> • Review of grants formulas: Grants system to be remodeled to provide certainty of future funding and account for regional differences (e.g. Roads formula doesn't account for some roads lasting 40 years due to soil quality when other roads last 200 years) • Revenue sources: Councils would like more freedom to raise revenue in innovative ways, such as through running a company to supplement their income from rates. • Crown land & Govt owned buildings: Allow councils to generate income from this land, State Government to pay rates on buildings such as schools and offices • Asset maintenance: If councils are given assets from the state government these should be accompanied with ongoing funding for maintenance (e.g. a council was given a ferry that costs \$1m per year to maintain, with only \$2m of funding) • Other taxes: Local councils would like a greater share of the income tax (2%) as a more fair method of getting more money than raising rates. This would provide some certainty in ongoing funding and allow for long-term planning. • Roads: State government to take back responsibility for roads

Effectiveness: Issues and barriers

The overwhelming view in consultations was that local government currently struggles to effectively provide its core services, in part due to the expectation that it will provide a suite of other services including acting as a “last resort” provider (i.e. where there is no private or state government provider for a service that is a local priority). This is increasingly a challenge with growing community expectations about the services councils should provide.

Road asset management is seen to be one of the most challenging areas in terms of effectiveness. This is due to the difficulty and expense of maintaining long rural roads, often with low populations per kilometre of roads. However, it was noted by councils that in community satisfaction surveys many of the poorest roads are roads managed by VicRoads.

Group	Summary of key ideas
State Government agencies/ Peak Bodies	<ul style="list-style-type: none"> No core set of defined services which means its hard to measure sustainability Regional cities are more strategic and well-resourced for dealing with economic development than rural councils, but demand for economic development is higher in rural areas.
Community	<ul style="list-style-type: none"> Role of local council: There is increasing demand on councils to fill service gaps, yet they have less resources which creates a constant squeeze - the entire local government model is strained. Council ‘indoor staff’ are increasing due to compliance costs, but ‘outdoor staff’ are decreasing. Roles and responsibilities of Government: Individuals do not have a solid understanding of different roles and responsibilities of local and state government, and there is often blame at the local level. Bureaucracy and governance: There is so much red tape and policy which prevents action, and often makes it unclear of who is responsible for acting in any given case. Crown Land: Councils maintain Crown land and the facilities on it, yet there is a lack understanding on how to access and effectively manage Crown Land. Short term programs or projects: Short term projects are good but need to be avoided as local government do not have funding to sustain the projects and they almost never permanently alleviate the issue and local pressures often necessitate council bearing the cost once funding ceases. Road maintenance: The current road model between council roads and VicRoads is not always understood and perceived to not be working. Population per/km road: Some shires have 4 people/km, other areas have 70 people/km, which creates disparities in the resources each council needs to devote to maintenance.
Councils	<ul style="list-style-type: none"> Community expectation: There is a growing community expectation around the role of council and the kinds of services that are expected to be provided by local government. Provision of State Government services: Local councils are often a “last resort” provider of state government services. This takes away time and money that should be used to deliver “core” council services. Time spent delivering state government services takes away time that could be spent better delivering their core services that are required by the community. Local government may also be required to take over additional state government services/assets with little notice making long-term planning difficult. Lack of authority: In some cases there is a lack of authority for regional areas to take over certain services.

Effectiveness: Options for reform

For local government to effectively provide core services within existing financial constraints, some stakeholders suggested returning some services to the state government to allow local government to focus its efforts, adding only other services that generate revenue.

It was also suggested by both councils and communities that that local and state governments together need to determine a minimum level of service that is to be provided by councils, keeping in mind concerns about equity. Some services may be better delivered at a regional level.

According to community participants, in order to be effective councils should embrace a whole of community approach with community collaboration. Increasing state and local government support for community partnerships was recommended as a way to leverage community good will for projects that benefit the community while also saving money and improving the quality of outcomes.

In terms of road maintenance, a review of funding models is required with councils requiring additional support from the state government. One option may be to reinstate the 'Country Roads and Bridges program' to assist local government with ongoing maintenance costs.

Group	Summary of key ideas
State Government agencies/ Peak Bodies	<ul style="list-style-type: none"> • Define statutory services: Councils need to define what they are obliged to deliver, and then consider whether they are doing this on a viable basis • Establish mechanism for a mature and robust debate on responsibilities • Re-evaluate service delivery: Reevaluate, together with the State Government, who should provide services. Councils deliver many services that benefit the State, that are not required by legislation, and that could be better delivered by other organisations (e.g. school crossings, life guards, fire permits, coast guards). Councils could identify statutory services and only add others that generate revenue. • Temporary resources: The State government could provide a resource to implement something for local government (like a project manager to support implementation at a regional level). Councils would support this if it was something that would deliver a financial saving in the long term.
Community	<ul style="list-style-type: none"> • Leveraging community partnerships: Greater investment in community engagement and development by building a partnerships between community and council which are supported by state government. Communities can do things better and cheaper than state gov't and maybe better than local council. • Relocation of Government Departments to regional areas: Creates new employment centres in rural and regional areas. • Regional structures: Should be based in the regional cities and provide for the surrounding areas. • Funding model: A leading disaster relief fund would allow for the community to react immediately to support community needs. • Decentralisation of gov't departments: Incentives to move jobs and individuals into rural Victoria at a tax and policy level. • Service delivery: Regional service delivery and shared services should be mandated, and married with guarantees that protect the service delivery in the most rural and regional areas so regional centres don't then cut services to remote locations to save their budgets. • Community collaboration: Council delivers value when they take a whole of community approach and take on roles beyond mere service delivery focus. • Shared services: State government to fund research and consultation, and explain what a shared collaborative piece of work between councils could look like - the state government could do the design phase, local councils would have the confidence to invest and follow through.
Councils	<ul style="list-style-type: none"> • Establish minimum levels of service: This helps to start a discussion with the community around the kinds of services they expect to be provided by the council and the costs associated with additional levels of service. It also helps to address some equity issues by ensuring that residents of rural and regional areas have access to base level of necessary services. • State Gov't Services: consider giving back some services to the state government to allow council to focus on provision of their core services.

Efficiency: Issues and barriers

Red tape and a high regulatory burden appear to be a key barrier to local governments operating efficiently. A significant amount of time and money is spent on administration and lobbying to get small, short term grants from the State Government. It also hinders innovation in councils, with applications to undertake innovative activities being a time consuming process, even when they align well with State Government policy.

High reporting requirements were highlighted by both peak bodies and councils as contributing to the inefficiency of councils, with the greatest impact on small shires. Currently councils report on at least 60 different indicators, as well as other reporting requirements to the State Government.

There are other systems in place such as differing IT platforms that make it difficult to share information and collaborate between councils, as well as roll out of new services across multiple councils. This is a key challenge in changing to a shared services model.

The Local Government Act also acts as a barrier to improved efficiency by preventing collaboration – for example, in relation to Emergency Services by mandating that each Council must have their own emergency services plan.

Group	Summary of key ideas
State Government agencies/ Peak Bodies	<ul style="list-style-type: none"> • Reporting: reporting burden on councils estimated to cost between \$40 - \$60 million per year and the quality is still poor. There is scope to reduce costs by automating some parts of the reporting process. • Shared services: concerns around job losses if moving to a shared services model. IT systems vary across councils making it difficult share information, collaborate and roll out services. • Regulatory burden: Vic Gov't needs to consider the impact of providing small grants to councils - there's a lot of administration required, for such small amounts of money. There are other inefficient processes required such as the consultation process surrounding a council budget which is time consuming, expensive, and does not allow for genuine community engagement. • Incentives: Attempt has been made to move away from discussing an "efficiency factor" and shift the focus to asking what could incentivise councils to improve efficiency and productivity across their entire budget.
Community	<ul style="list-style-type: none"> • Audit Requirements: Significant resources are expended on audit, reporting, and there is a question over whether all of this is required/helpful. • Red Tape: Permission for council workers to act is often difficult to secure with lots of bureaucracy to deal with and in some instances multiple gov't agencies that create inefficiencies when a situation arises. • "Cost Shifting": Maintenance of Crown Land is an issue, provision of health services, maternal care etc. has been shifted from the other levels of Government to councils without a countervailing changes in funding. • Distance of travel: Distance is an inherent inefficiency, council officers have to travel extensively and lose productivity and have less time available to do productive work.
Councils	<ul style="list-style-type: none"> • Red Tape: High levels of red tape due to State Government policy. This makes service delivery more expensive and time consuming, and makes it difficult to innovate. For example, the Local Government Act limits the ability of local councils to collaborate on Emergency Services. • Regulatory and reporting burden: a large amount of time is spent on reporting to state government. There is also • Lobbying: A lot of time and money is spent lobbying for grants which could be redirected to more productive tasks if there was more certainty of funding, or ongoing funding/grants options. • Clarity around roles: There are currently too many people involved in various processes (at Federal, State and Local levels) and there is a lack of clarity and ownership around roles and responsibilities.

Efficiency: Options for reform

A common suggestion for improving efficiency of local government is to move to a shared services model for back office tasks, but maintaining local representation. Tasks that could be shared between councils include payroll, record keeping, procurement, and IT. Moving to a shared IT platform has the additional benefit of improving opportunities to collaborate and share information. Although this model would likely save money in the long-term, there are some initial capital costs that may need to be met by the State Government.

Alternatively, moving to a specialisation model may improve efficiency - for example with one council undertaking road maintenance, another specialising on HACC, waste management, etc.

Group	Summary of key ideas
State Government agencies/ Peak Bodies	<ul style="list-style-type: none"> • Shared Services: merging back office functions for councils. Significant savings can also be made through shared IT platforms (e.g. license fees). Incentive funding from Victorian Government could be provided (current funding is seen as inadequate \$75K per application, with a total pool of \$200-200K) These will be relationship driven and could following a Services Victoria model using cloud computing and zero (accounting software). • Implementation of shared services: Changes need to be grandfathered so that there are no net job losses initially, with people re-deployed to front line services wherever possible. There needs to be a transition period and the narrative should be shaped around moving jobs to operational roles. • Shared procurement: This will help to increase the bargaining power of local governments, • Incentive Fund - to make it easier for councils to pursue shared services and shared procurement. This could be an upfront payment then further milestone payments. • Administrative burden: Reduce compliance, red tape and reporting requirements and simplify funding processes • Specialisation: each council within a grouping could specialise in the delivery of particular types of services to other councils in the groups (e.g. one does HACC, one does road maintenance). • Hub and spoke model or partnerships between smaller and larger councils.
Community	<ul style="list-style-type: none"> • Privatisation: Local services could be provided by local organisations that are not council. Communities and councils should be given more freedom to find cost effective ways of achieving outcomes e.g. the management of plants and equipment. • Centralising services: Consider the services being delivered and consider what services can be handed back to the state government and which ones could be provided by one local council, or between multiple shires who have an 'alliance'. • Shared Services: There are opportunities in the emergency services and response space, as well as planning, for greater cooperation. • Computer software: To help reduce local costs and have a broader knowledge base, local shires should be able to share software licenses. • Solution starts with recognition: Acknowledge that regulation, red tape, and requirements impose costs – review future regulations as they are defined and developed to ensure they are flexible and sustainable. A benchmarking process could be set up to test new regulation to make sure its sustainable and doesn't hinder the council and community. Local Government impact should be taken seriously, not a vague tick box. • Framework for responsibility: Development of a framework that considers the impact of projects that extend beyond the shire boundaries and considers if there are efficiencies to be realized. • Localised health services: Community health services are an efficient target for investment in terms of raising outcomes and protecting equality.
Councils	<ul style="list-style-type: none"> • Shared Services (administration): The use of shared services for back office functions such as payroll, record keeping, IT can help to improve council efficiency by minimising administration costs. A common IT platform will help to share information across councils and will give greater opportunities for collaboration. • Shared service delivery: There is also scope to share other services such as waste management, health administration.

Capability: Issues and barriers

There was a concern among both State Government agencies, peak bodies and community members that both local government councillors and staff did not have the requisite capability to run a large and complex entity. Financial management, asset management, and strategy were key areas that were acknowledged to be key areas supporting strategic capability. However, there is some difficulty of attracting suitable staff to these areas, partially due to lack of connectivity, reputation of councils, and poor service delivery. Planning was a key issue that arose in all three stakeholder groups, with councils lacking appropriate planning expertise and preferring a broader regional approach to planning matters.

Councils felt that there was a lack of respect between local and state government, which harms the reputation of council and therefore their relationship with the community. They suggested that the state government's narrative needed to change to allow for productive working relationships into the future.

Group	Summary of key ideas
State Government agencies/ Peak Bodies	<ul style="list-style-type: none"> • Staff: Ability to attract suitably qualified staff - both a location issue, but also a funding issue. Lack of skill sets in management, budget and financial management, requires State Government to bring in "flying squads" of accountants. • Policy vs operations: In some cases there's a lack of collaboration between policy and operations meaning critical information is not shared. In other cases there can be a lack of distinction between policy and operations as people play multiple roles. • Planning and strategy is relatively rudimentary for rural councils when compared to regional cities or metro councils • Funding applications: RDV provides a lot of in-kind support to help rural councils develop quality applications for Investment Fund, otherwise applications are sub-standard. • CEO recruitment & performance: Currently process flawed and can lead to poor CEOs staying on, and good CEOs who challenge council losing their position. There needs to be an independent arms-length input into the review of performance of CEOs. • LG as major regional employer: In regional areas employees will not report bad practices as they have limited job opportunities in their region
Community	<ul style="list-style-type: none"> • Training: Community perceives training (unless compulsory) as a holiday to Melbourne making councillors reluctant to attend. • Council members capacity and capability: For some shires, only retired people or self employed can apply given the time commitment and lack of career opportunities/pathways resulting in a small pool of people running for council. • Salary for council members: There is discrepancy in payment for CEOs and Mayors across the shires, and only small payments are made to some council members, which restricts applicants. • Limited staff numbers: The ability of Local Government to deal solve issues with limited staff is a key challenge. • State government leadership: There is a perception that state government doesn't understand or recognise the nuances of local governments and therefore is not adaptable to local needs. • Vision and Strategy: Some communities feel that their council lack a long term strategy and vision, and do not have the internal capability to think strategically, or have the skill set to deal with the future needs of the council. • Political criticism: Due to perceived political criticism, there is a risk adverse culture and a fear of making decisions for some councils.
Councils	<ul style="list-style-type: none"> • Planning: Councils do not have the capability to undertake this task and often require assistance (e.g. from the Flying Squad). It is hard to get a good planner to stay in one region as there is no career progression opportunities. • Reputation: State Government's statements on the inefficiency of councils is damaging to council's reputation and causes trust issues between the council and the community • Connectivity: It's hard to attract good people to live and work in the region when there is poor transport connectivity to the rest of the state. • Loss of population: Talented youth generally leave for university in the cities and do not come back due to lack of jobs, despite a desire to return for the lifestyle.

Capability: Options for reform

A key suggestion across most stakeholders to improve capability was to form a regional planning function (either at the State Government level or as a separate regional authority) to undertake strategic and statutory planning with a focus on regional priorities as well as LGA specific needs. This would allow councils to attract good planners with better career prospects than if they were constrained to one LGA. Local councils could retain responsibility for smaller planning tasks (for example fences between residential properties).

Training for councillors was a key issue raised by the community, with more compulsory training seen as a necessary option to improve capability. If training is not compulsory it is perceived by the community as a holiday in Melbourne rather than an important training opportunity. Council allowances could be increased for councillors who complete important training units.

Secondment opportunities were raised as an option by both peak bodies and community groups. Secondments between metropolitan and rural/regional staff may serve multiple purposes – encouraging the interchange of staff between metropolitan and rural areas to increase knowledge sharing and up-skilling opportunities, and could also be used to fill an interim role or to deliver a short-term project in a regional area.

Group	Summary of key ideas
State Government agencies/ Peak Bodies	<ul style="list-style-type: none"> • Decentralisation: State Government departments moving to regional and rural areas, but also Metro Councils moving functions (e.g. payroll) to regional and rural areas. • Mandatory training: Council allowances could be increased as training is completed, as an alternative to making it mandatory • Role of CEOs: CEOs need to drive efforts on accurate pricing and collaboration. • Sector secondment program - where council doesn't have capacity to fill interim role or deliver a project, second senior person from a Metro council to act as a mentor and develop staff. • Elevate role of council: One option is to elevate the role of the council to attract better councillors and staff - but there is no guarantee this will work
Community	<ul style="list-style-type: none"> • Capability Development: Need to focus on training and apprenticeship activities for people that are going to go into council. • Mobilisation and secondment: Encouraging the interchange of staff between metropolitan and rural staff to increase knowledge and up-skill both local and state government employees. • Training and Development: There should be training programs specialised for CEOs and staff. More comprehensive, compulsory training on asset management . • Guidance materials: There should be more guidance materials and templates available for council staff, prepared by the State Government. • Positive language and communications: Provide supporting language about high performing councils to encourage other councils to strive for success, and ultimately encourage people to apply to be council members. • Leadership programs: There were examples of a community leadership program that takes promising and qualified graduates, trains them, and helps them to run for local council with some success. Programs of this kind could be helpful. • Regional Planning Authority: To take over large planning activities with councils able to make decisions on smaller scale tasks (e.g. fence heights between residential properties).
Councils	<ul style="list-style-type: none"> • Regional Planning Authority: By having a regional authority councils hope to attract good planners who could specialise and have better career prospects than if they were constrained to one LGA. • Local representation with regional administration: allowing regions to have their own council but to leverage skills and capabilities across the region – this also contributes to efficiency of councils.

Consultations with State Government agencies and Peak Bodies

KPMG consulted with seven peak bodies and key stakeholders, including:

Key Stakeholders:
Essential Services Commission:
DTF/RDV
Rural Councils Victoria'
MAV
LGPro
VAGO
Chief Municipal Inspector

Participants – Wangaratta

Council Workshop

Council	Participant	Position
Indigo	Greg Pinkerton	CEO
Indigo	Jenny O'Connor	Mayor
Murrindindi	Michael Chesworth	CEO
Murrindindi	Charlie Bisset	Mayor
Alpine	Ron Janas	Mayor
Alpine	Charlie Bird	CEO
Mitchell	Rhonda Sanderson	Mayor
Mitchell	Laurie Ellis	CEO
Towong	David Wortmann	Mayor
Towong	Juliana Phelps	CEO
Mansfield	Alex Green	CEO
Mansfield	Paul Volkering	Mayor
Benalla	Don Firth	Mayor
Benalla	Robert Barber	CEO
Moira	Marie Martin	Deputy Mayor

Community Workshop

Council	Number of Participants
Indigo	1
Murrindindi	3
Wangaratta	5
Alpine	2
Mitchell	3
Towong	4
Mansfield	1
Benalla	3

Participants - Traralgon

Council Workshop

Council	Participant	Position
East Gippsland	Joe Rettion	Mayor
East Gippsland	Gary Gaffney	CEO
South Gippsland	Tim Tamlin	CEO
South Gippsland	Ray Argento	Mayor
South Gippsland	Aaron Brown	Councillor
Wellington	Carolyn Crossley	Councillor
Wellington	Darren McCubbin	Councillor
Wellington	Ian Carrol	Manager Corporate Finance
Bass Coast	Pamela Rothfield	Mayor
Bass Coast	Paul Buckley	CEO
LaTrobe	Gary Van Driel	CEO
LaTrobe	Kellie O'Callaghan	Mayor
LaTrobe	Graeme Middlemiss	Deputy Mayor

Community Workshop¹

Council	Number of Participants
Bass Coast	2
La Trobe	1

1. Due to low community participation numbers in Traralgon, community member's views were sought by phone.

Participants - Bendigo

Council Workshop

Council	Participant	Position
Buloke	David Pollard	Mayor
Buloke	Lucy Roffey	CEO
Gannawarra	Brian Gibson	Mayor
Gannawarra	Eric Braslis	CEO
Gannawarra	Sonia Wright	Councillor
Golden Plains	Richard Trigg	Director Corporate Services
Loddon	Cheryl McKinnon	Councillor
Macedon	Peter Johnston	Mayor
Mount Alexander	Darren Fuzzard	CEO
Mount Alexander	Sharon Telford	Mayor
Queenscliffe	Lenny Jenner	CEO
Queenscliffe	Tony Francis	Mayor
Shepparton	Dinny Adem	Mayor
Shepparton	Peter Harriot	CEO
Strathbogie	Amanda McClaren	Mayor
Surf Coast	Brian McKiterick	Mayor
Surf Coast	Keith Baillie	CEO
Swan Hill	John McLinden	CEO
Swan Hill	Les McPhee	Mayor

Community Workshop

Council	Number of Participants
Bendigo	2
Gannawarra	2
Queenscliffe	1
Shepparton	3
Strathbogie	1
Swan Hill	3

Participants - Horsham

Council Workshop

Council	Participant	Position
Hindmarsh	Anne Champness	Director Corporate and Community Services
Hindmarsh	Debra Nelson	Mayor
Hindmarsh	Rob Gersch	Councillor
Hindmarsh	Shane Powe	Director of Infrastructure Services
Horsham	Graeme Harrison	Director Corporate Services
Horsham	Heather Proctor	Manager Finance
Horsham	John Martin	Acting CEO and Director Technical Services
Horsham	Pam Clarke	Mayor
Mildura	Gerard Jose	CEO
Yarriambiack	Graeme Massey	Mayor
Yarriambiack	Tom Hamilton	Councillor

Community Workshop

Council	Number of Participants
Horsham	3
Yarriambiack	5

Participants – Warrnambool

Council Workshop

Council	Participant	Position
Ararat	Colleen White	Director Corporate Strategy, Risk and Governance
Ararat	Paul Hooper	Mayor
Colac Otway	Errol Lawrence	General Manager Corporate Services
Corangamite	David Rae	Director Corporate and Community Services
Corangamite	Neil Trotter	Councillor
Glenelg	Anita Rank	Mayor
Golden Plains	Jason Clissold	Finance Manager
Moyne	David Madden	CEO
Moyne	Jim Doukas	Mayor
Northern Grampians	Michael Bailey	CEO
Northern Grampians	Tony Driscoll	Mayor
Southern Grampians	Chris Sharples	Deputy Mayor
Southern Grampians	Colin Dunkley	Councillor
Southern Grampians	Michael Tudball	CEO
Warrnambool	Bruce Anson	CEO
Warrnambool	Kylie Gaston	Mayor

Community Workshop

Council	Number of Participants
Ararat	2
Colac Otway	1
Corangamite	2
Southern Grampians	3
Warrnambool	2



6.4 Operational effectiveness and efficiency deep dives

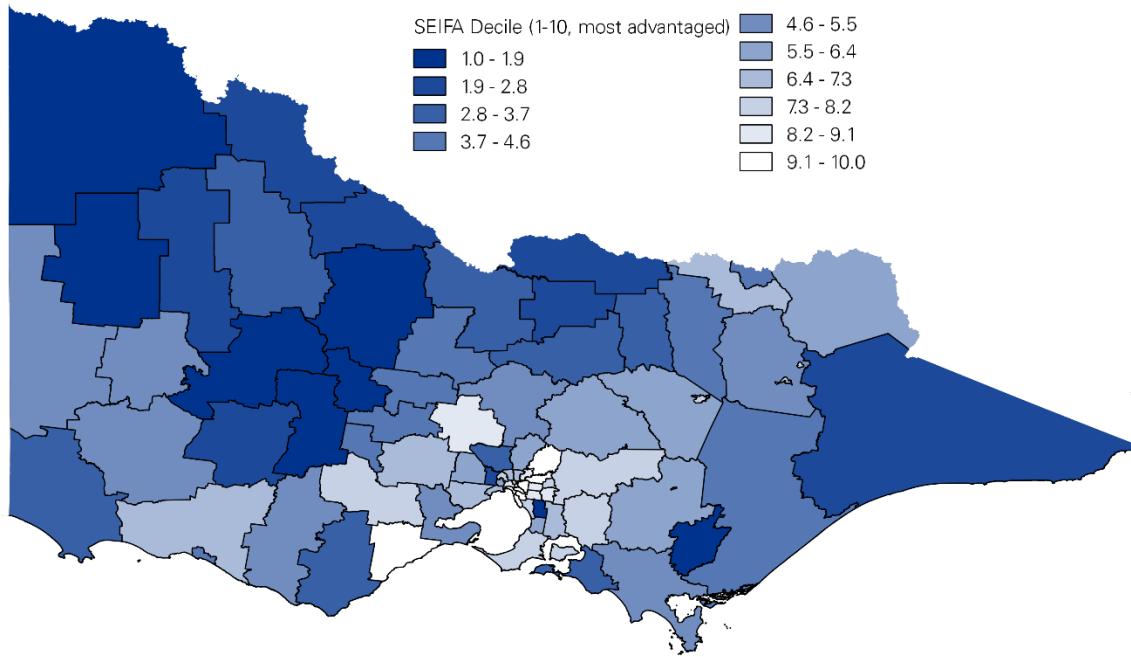
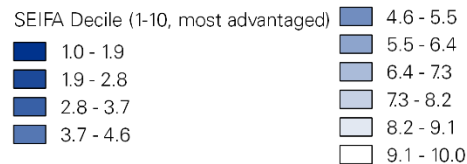


6.4.1 Deep dive into the maternal and child health service

Victorian children who live in the most disadvantaged areas are significantly more likely to be developmentally vulnerable

SEIFA, a measure of socio-economic status, is typically lower across rural and regional Victoria which has implications for the complexity and quality of MCH delivery.

Legend



“In addition to a low volume of service offering, quality is variable across the system and lower in areas of disadvantage.”

Source: Submission on the Education State Early Childhood Development Reform Plan 2016

Source: ABS, 2011, Socio-Economic Index for Areas

While there is an agreed standard price for service, the cost to deliver MCH is higher in regional and rural councils



Funding from Victorian Government

50%

Universal MCH

Provision of universal access to health services for children from birth to school age and their families including early detection, referral, monitoring and recording child health and development

100%

Enhanced MCH

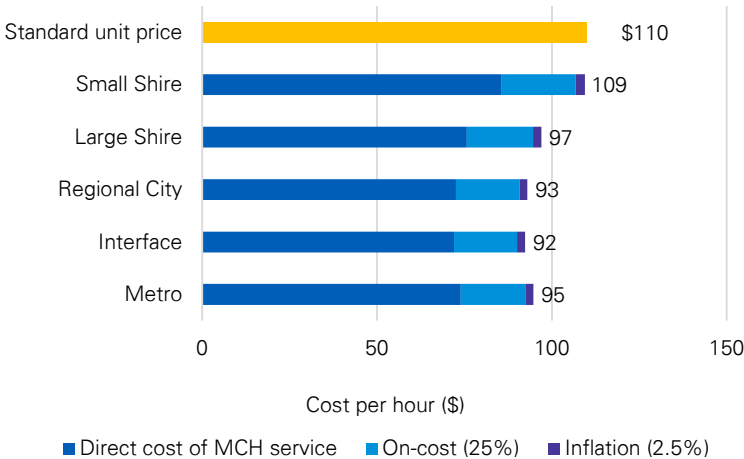
Additional services to support the needs of children and families at risk of poor outcomes. These funds are allocated based on rurality and socio-economic status



Service delivery by Local Government

As part of the Supporting Children and Families in Early Years Compact between DET, DHHS, Local Government and MAV (2017), an MOU was signed to ensure a **standard unit price per hour of MCH service which will increase annually at a rate of 2.5 per cent p.a. to 2020**

Comparison of direct costs per hour (2015-16)¹ to the standard unit price (2016-17)²



Source: (1) DELWP Know Your Council Data collection

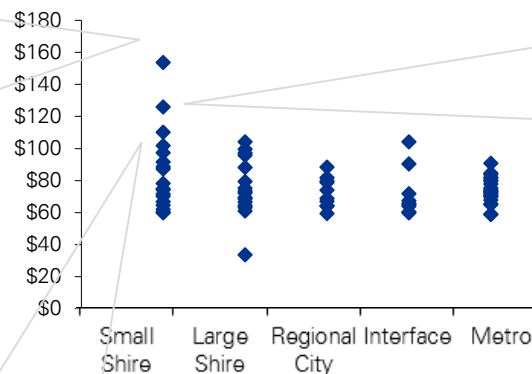
(2) MOU between DET and MAV in relation to the Maternal and Child Health Service 2017 – 2020

Note: Unit price includes salary and on-costs, operating expenses, management, facilities, and professional development, Direct cost does not include management or corporate overheads.

Higher costs may be driven by greater complexity of service and difficulty resourcing lower demand

Direct cost per hour of MCH service (\$)¹

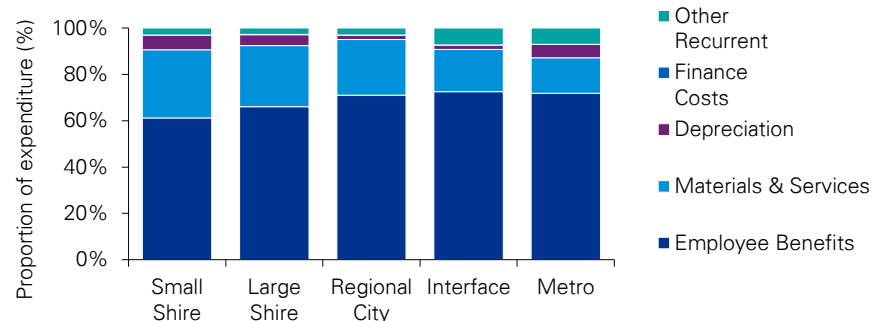
Community accessibility to the service is for a comparatively small number of birth notifications per year. As a result, a minimum standard of 1 day/week availability is provided to ensure a viable service.



Council's MCH staff deal with a large number of complex cases, which require additional skills, knowledge and training to standard MCH services. A higher level of service delivery is required and therefore increases costs.

R&R councils also spend proportionally more of their Family and Community Services budget on materials and services which include costs associated with travel and fuel ²

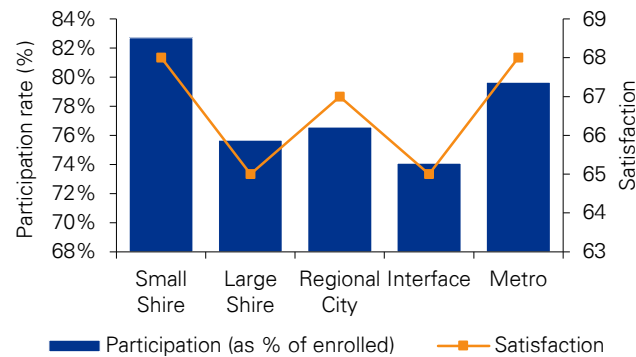
Delivery of this service in the Murrindindi Shire is facilitated through a number of Maternal & Child Health centres spread across the Shire, which requires a greater amount of overhead and travel costs to deliver these services to the community.



Source: (1) DELWP Know Your Council Data collection.
(2) Council submissions to the Victorian Grants Commission.

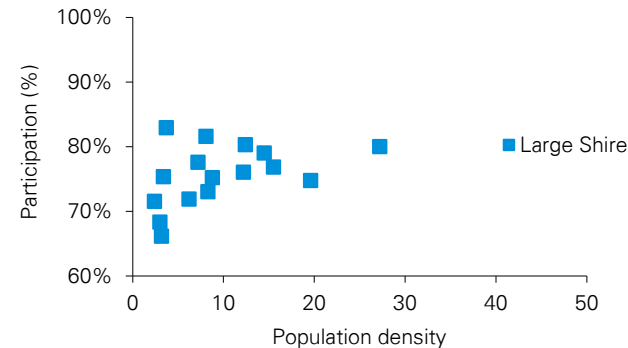
Resident satisfaction appears to be aligned with effectiveness in reaching families and children

Participation (%) of children in MCH relative to overall resident satisfaction with Family Support Services

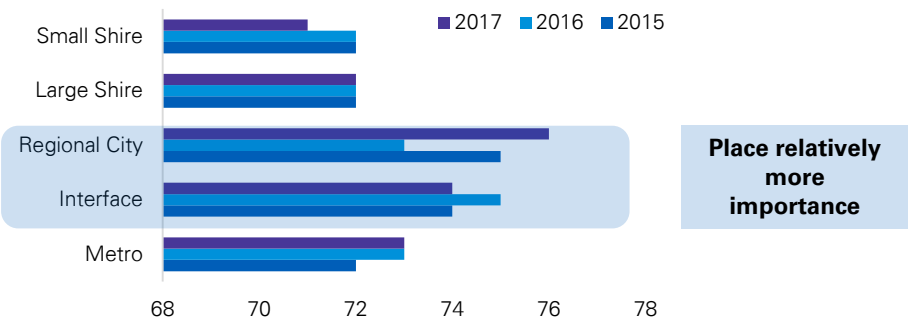


- Large Shires and Interface councils have the lowest levels of satisfaction
- They may face different challenges in delivery (dispersion versus higher importance / community expectations).

Population density relative to participation in MCH services (Large Shires)



Importance Index Score: How important should 'family support services' be as a responsibility for Council?



Source: DELWP Know Your Council data, JWS Research Local government community satisfaction survey 2017

The MOU is a good example of clarifying service level responsibilities and supports councils tendering or collaborating to deliver MCH

The MOU is positive for fostering increased collaboration (both state-local and across council boundaries),

“The parties will work collaboratively to further develop a shared understanding of the key features of best-practice at the system, service, and practitioner level. This work will include:

- developing and implementing an agreed MCH Service framework and revised guidelines*
- **exploring and supporting, where feasible, innovative ways of managing and providing the MCH Service, including across different geographical areas”***

However...

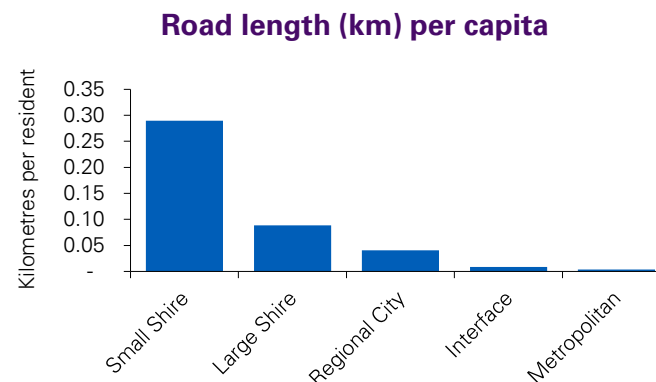
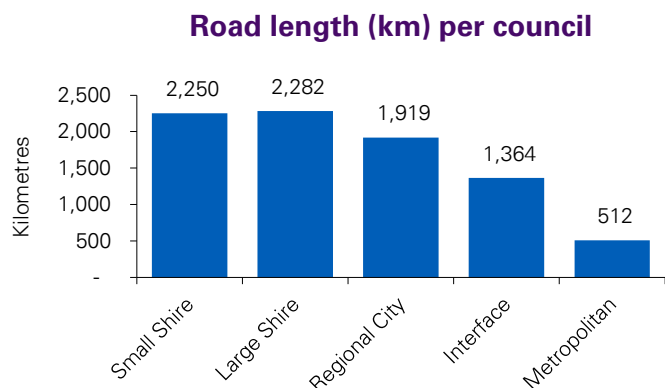
The Rural Council Sustainability Project suggests *“that a large proportion of participating rural councils were providing several services that might be more suitably provided by NGOs, private entities including: immunisation, youth programs, property maintenance for older people or those with a disability, meals on wheels, and **child and maternal health.**”* -ACELG, 2015

Source: ACELG, 2015, Rural Council Sustainability Project Stage Two Report, <http://www.ruralcouncilsvictoria.org.au/wp-content/uploads/Stage-2-Final-Report.pdf>



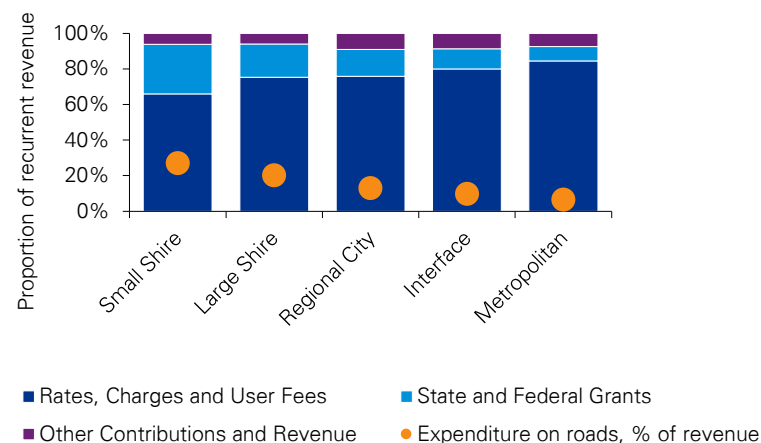
6.4.2 Deep dive into the local roads and bridges expenditure

Road distance is higher per capita in R&R Councils with expenditure as well as a proportion of total revenue



- The average council in R&R Victoria has greater than 2,000 km of local roads.
- However, relative to population, it is clear that R&R councils have fewer residents to contribute to their cost.
- Chart 32 shows the relatively higher share of recurrent revenue taken by annual expenditure on roads in R&R councils.

Expenditure on roads, % of recurrent revenue



Source: (1) DELWP Know Your Council data

(2) Local government audited financial statements and strategic resources plans

(3) Council submissions to the Victorian Grants Commission

R&R Councils spend relatively less on average per km than their estimated annual preservation cost per km

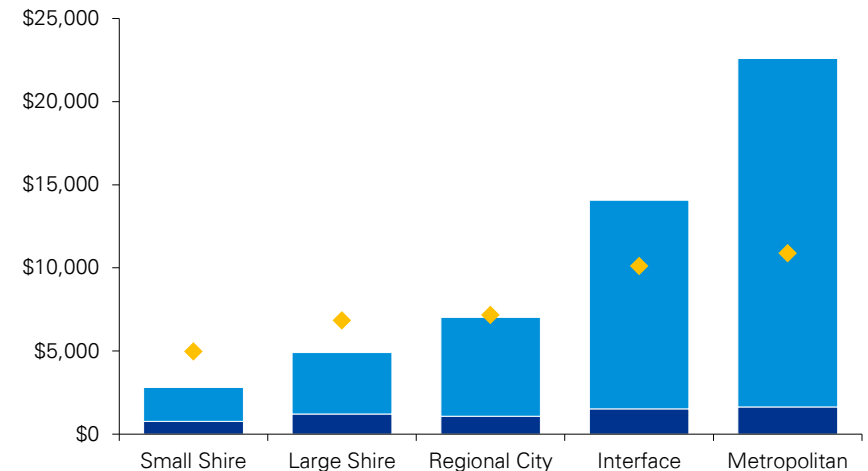
The Victorian Grants Commission (VGC) estimates an average annual preservation costs for given traffic volume ranges as follows:

Regional and rural councils spend relatively less on average per km than their estimated annual preservation cost per km.

Methodology to estimate annual asset preservation cost

Local Road Type	Daily Traffic Volume Range	Annual Asset Preservation Cost \$/km
Urban	<500	\$7,200
	500 - <1000	\$9,800
	1000 - <5000	\$13,200
	5000 +	\$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 / sq. m
Concrete Bridge		\$120 / sq. m

Expenditure on roads relative to estimated annual preservation costs, per km (2015-16)



VGC also apply cost modifiers for councils to account for local characteristics such as:

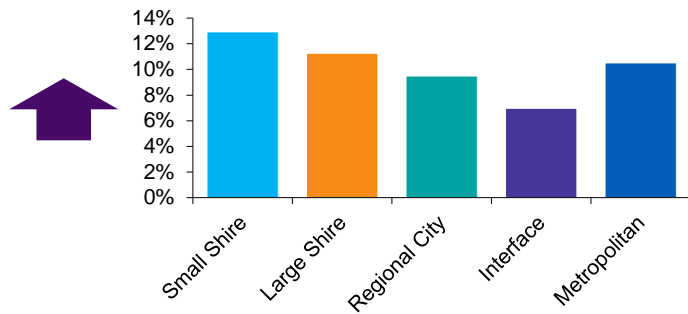
- volume of freight carried on local roads;
- climate;
- availability of road-making materials;
- sub-grade conditions; and
- strategic routes (see next page).

Source: KPMG analysis and Victoria Grants Commission council data

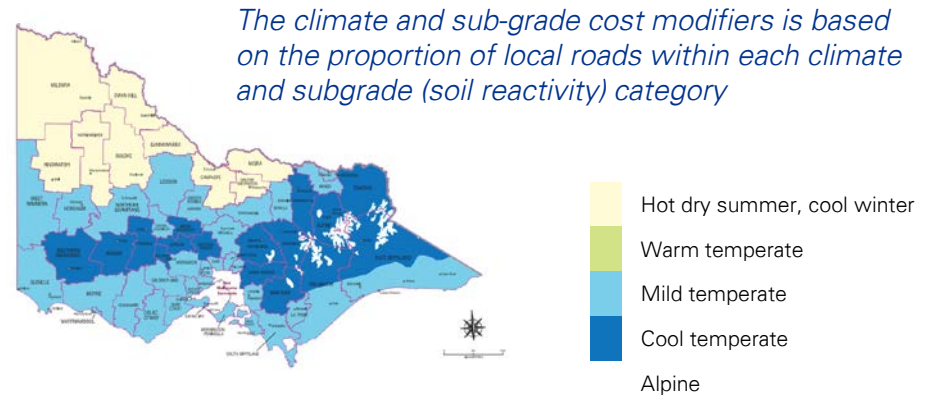
Cost modifiers for road grant assistance also indicate R&R relative disadvantage



(1) Freight intensive industry employment, % of population



(2) Climate and (3) SubGrade



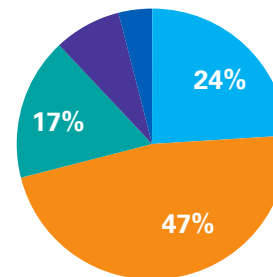
(4) Road making material availability

Materials availability is determined by the distance between the nearest quarry location and the council headquarters.



Unknown

(5) Strategic routes, % of total km



Strategic routes are local roads that must be maintained to a higher standard because of certain characteristics, such as:

- Carrying tram or bus routes
- Carrying higher volumes of freight
- Higher average grade (i.e. >6%)
- Higher traffic and in floodplain



R&R councils have a higher proportion of total strategic routes in Victoria by kilometres (see Chart 5) and as a proportion of their overall road assets.

Sources: (1)Victoria Grants Commission

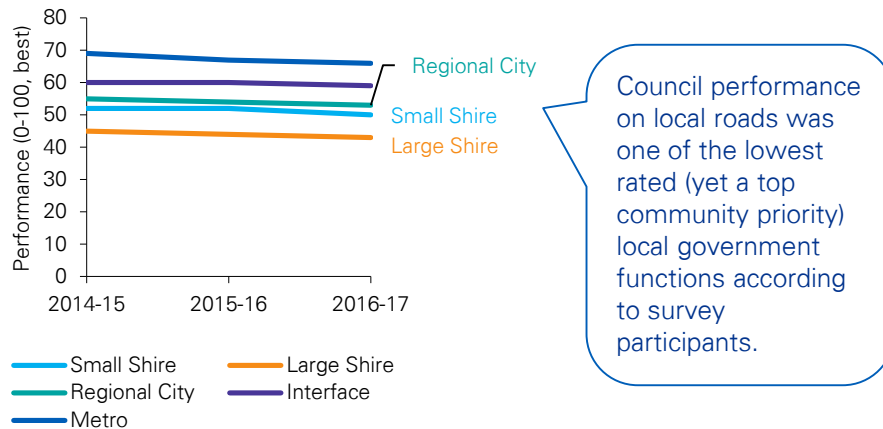
(2) Census of Population and Housing, Industry of employment (POW)

(3) Source: ABCB 2015, Climate Zone Map – Victoria

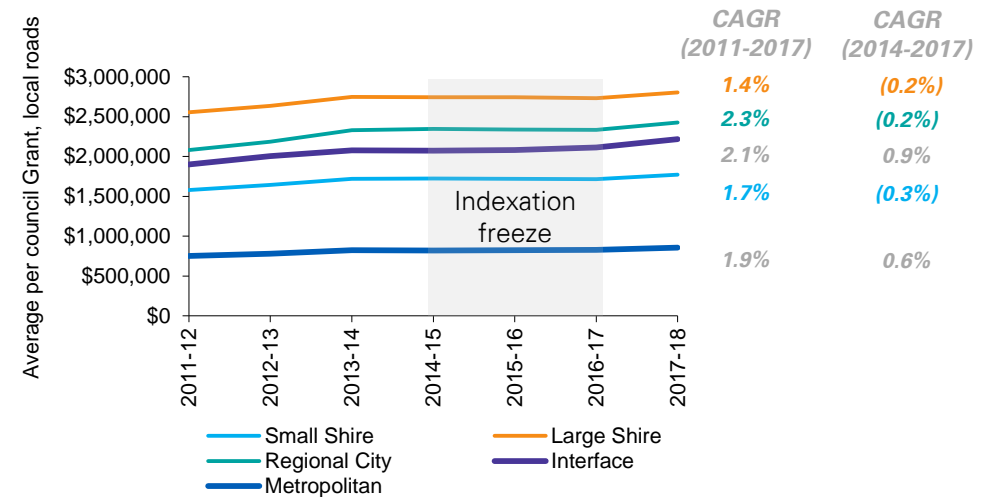
Note: Freight intensive industries include: Agriculture, Forestry and Fishing; Electricity, Gas, Water and Waste Services; Mining; Manufacturing; Transport Postal and Warehousing and Wholesale Trade

The Financial Assistance Grant indexation freeze impacted road funding, particularly the levels received by R&R councils

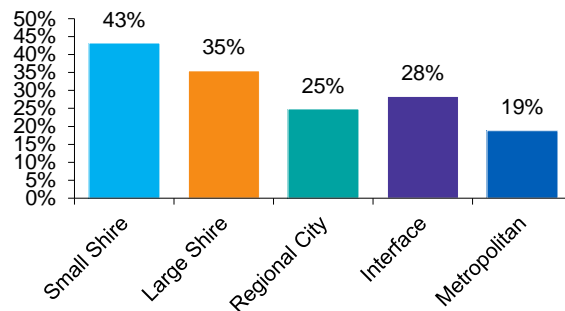
Resident satisfaction with the quality of local roads



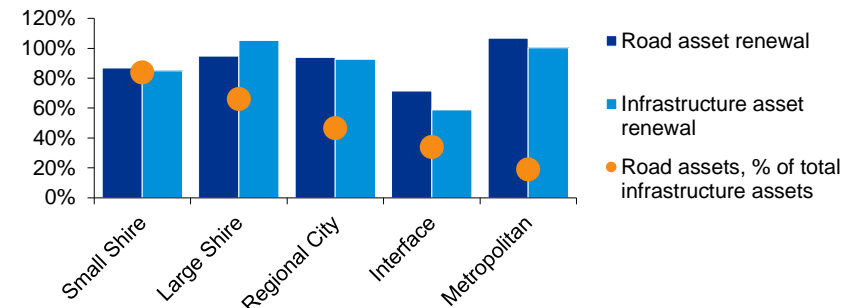
Commonwealth Financial Assistance Grants, local roads (average per council)



Road maintenance expenditure, % of total road expenditure (2015-16)



Asset renewal, % of annual depreciation, (2015-16)



Source: (1) DELWP Know Your Council, JWS Research Local government community satisfaction survey 2017; (2) Victoria Grants Commission



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