delwp.vic.gov.au

|  |
| --- |
| Report on 2017-18 Council Budgets  Analysis by Local Government Victoria |

|  |  |
| --- | --- |
|  |  |

Author

Local Government Victoria

Photo credit

“532,195”, by Local Government Victoria.

Contents

[Report on 2017-18 Council Budgets 2](#_Toc507428152)

[Executive summary 2](#_Toc507428153)

[Analysis 3](#_Toc507428154)

[Revenue 3](#_Toc507428155)

[Rates and Charges 4](#_Toc507428156)

[Grants 9](#_Toc507428157)

[Expenditure 11](#_Toc507428158)

[Capital Works 12](#_Toc507428159)

[Staff expenditure 14](#_Toc507428160)

[Financial performance and position 15](#_Toc507428161)

[Cash and debt 16](#_Toc507428162)

[Appendices 18](#_Toc507428163)

[Appendix A Council Cohorts 20](#_Toc507428164)

Report on 2017-18 Council Budgets

Section 127 of *the Local Government Act 1989* (the Act)requires that councils prepare a budget for each financial year that contains financial statements, a description of the services and initiatives to be funded, and information about rates and charges.[[1]](#footnote-2) The budget is council’s key resource planning document for the next financial year (short term), and commonly includes forecasts for the next four financial years from the strategic resource plan (medium term).

## 

## Executive summary

Each year Victorian councils must develop a proposed budget for consideration by their community.[[2]](#footnote-3) After complying with the relevant legislative requirements, including giving public notice and considering any submissions on the proposed budget, a council may adopt their budget.[[3]](#footnote-4)

Local Government Victoria (LGV) have reviewed and analysed the information available in the 79 adopted council budgets for 2017-18. Collectively, these documents set out the budgeted financial performance and position of the sector for the next financial year. Key points are:

* Collectively, Victorian councils are budgeting to generate an operating surplus of $1.3 billion in 2017-18;
* The sector is budgeting to hold cash and investments worth $3.3 billion and have borrowings of $1.29 billion as at 30 June 2018;
* Sector-wide capital works expenditure of $2.8 billion is budgeted for 2017-18;
* Councils are budgeting to employ 36,213 full time equivalent staff members at 30 June 2018;
* The average general rate increase publicised by councils for the 2017-18 year is 2.1% (2.6% in 2016-17); and
* Several councils sought to restructure their rates and charges revenue for 2017-18 and some faced considerable community reaction against the changes proposed.

The analysis presented separates the 79 councils into groupings based on size and geographic location. These cohort groups are as follows: Metropolitan Councils, Interface Councils, Regional Cities, Large Shires and Small Shires. These groupings are consistent with the Know Your Council website groupings.

A list of council cohorts and their membership is attached at **Appendix A**.

# Analysis

The analysis contained in this report is based on data extracted from the 2017-18 Council Adopted Budgets. At times, the analysis has been supplemented with data from the 2017-18 Strategic Resource Plans (SRP), which contain medium term (four year) budget intentions of councils.

## Revenue

Councils are budgeting for total revenue of $9.57 billion in 2017-18. This consists mostly of rates and charges ($5.6 billion or 59%) and grants ($1.47 billion or 15%). User fees and contributions are also key sources of income for councils, accounting for 11% and 9% of forecast total income, respectively.

The composition of revenue varies significantly between cohorts, which distorts the overall sector result. For example, interface councils receive 22% of their income through developer contributions which significantly increases the sector result.

Within council cohorts there can be significant variability in the amount of total income forecast by each individual council. The small shire with the highest forecast income is Hepburn Shire council ($32.9 million), about 2.5 times the size of the Borough of Queenscliffe ($13.5 million), the small shire with the lowest forecast income.

The variability of forecast income between interface councils is significant. Wyndham City Council’s forecast income ($491 million) is almost six times the lowest forecast income within the cohort, belonging to Nillumbik Shire Council ($86.8 million).

More than half of interface councils are expecting more income than every metropolitan council in the 2017-18 financial year, except for Melbourne City Council. Despite the large income size of these interface councils, there are also interface councils that have a similar amount of income to large shires and regional cities.

There is also significant variability within the Regional City council cohort.

The graph on the previous page shows the variability of size and growth of forecast income by individual interface councils. It highlights the rapid growth and change in outer suburban Melbourne. This variability also demonstrates the different revenue raising opportunities available to councils.

The graph below shows that 66% of metropolitan council revenue is raised through rates and charges, while rates and charges only make up 52% of interface council revenue. Interface councils however have relatively greater opportunities to raise revenue through developer contributions (cash and infrastructure), accounting for 22% of their total revenue. Small shires raise the least rates and charges, by amount per council *and* percentage of their total revenue, however they receive 36.1% of their revenue through grant funding, the largest percentage of grant revenue forecast to be received by a council cohort. This highlights the fewer revenue raising options for small rural councils and their significant dependence upon external grant funding.

### Rates and Charges

Rates and charges are the primary source of revenue for councils, representing approximately $5.6 billion or 59% of total budgeted revenue in 2017-18. 87% or $4.9 billion of rates and charges revenue is raised through rates, while the rest is raised through waste, municipal and other charges.

#### Growth in rateable assessments

Local governments continue to experience year on year growth in the number of assessments (i.e. rated properties). The growth has averaged around 1.8% per annum over the past decade.

In 2017-18, councils have budgeted for an additional 64,370 rateable properties which represents an increase of 2.25% taking the total number of assessments to 2,928,583 (2,864,213 in 2016-17 adopted budgets).

The average growth in local government assessments is consistent with Victoria’s population growth between 2006 and 2016, which also averaged an increase of 1.8% per annum.

Interface councils have consistently seen the largest growth in their population during the last ten years, while small shires are the only council cohort to see a decline in population over the same period. This demonstrates how the rate of population growth in the past decade has been most concentrated in the interface councils, and the challenge of declining and aging populations for small rural shires.

#### Total rates and charges increases

The increase in the total rates and charges income for the 79 Council’s is 4.1% (4.6% in 2016-17), for a budgeted total amount of $5.6 billion. The combined pool includes general rates, municipal charges, garbage charges, supplementary rates and rates in lieu.

Over the past two years the difference between the increase in the rate cap and the increase in the total rates and charges income pool has been approximately 2.0%. This variance is caused by the natural growth in the rate base (driven by population growth) and the increase in charges not subject to the rate cap, mainly waste charges, which have been higher than both the rate cap increases *and* the equivalent CPI increases.

#### Fair Go Rates System and publicised rate rises

The average general rate increase by councils for the 2017-18 year is 2.1% (2.6% in 2016-17). This is marginally above the rate cap of 2.0%. The higher average amount above the 2017-18 rate cap is caused by the four rate cap variations approved by the Essential Services Commission (ESC), partially offset by another four councils who chose to declare rate increases lower than the cap amount.

For the 2017-18 financial year, four councils made successful applications to the ESC for a variation to the rate cap. These vary between single year and multiple year applications as follows:

* Hindmarsh Shire Council (**2017-18:** 4%);
* Pyrenees Shire Council (**2017-18:** 3.5%, **2018-19:** 3.5%);
* Towong Shire Council (**2017-18:** 5.55%, **2018-19:** 5.55%, **2019-20:** 5.55%, **2020-21:** 5.55%); and
* West Wimmera Shire Council (**2017-18:** 3.5%, **2018-19:** 3.5%, **2019-20:** 3.5%, **2020-21:** 3.5%).

The Borough of Queenscliffe’s application for a 4.5% increase was not approved.

Alpine Shire Council (1.90%), Colac Otway Shire Council (0.63%), Moreland City Council (1.60%) and Nillumbik Shire Council (0.00%) chose to declare rate increases lower than the 2.00% rate cap in 2017-18.

The remaining 71 councils declared a rate rise of 2.0%, in line with the rate cap.

Moorabool Shire, Northern Grampians Shire and Wellington Shire were found to be non-compliant with the Fair Go Rates System (FGRS) rate cap by the ESC. Based on explanations provided by these councils, and commitments to prevent reoccurrence, the ESC do not consider that there are any systemic causes for concern.

#### Average assessment

The average amount ($) per assessment includes all rates and charges and has risen steadily in all council cohorts over the last five years.

In 2017-18, the regional city average assessment was the largest at $1,940, $230 higher than the small shire average assessment of $1,710. The average assessment for metropolitan councils was $1,871.

While there may not seem to be a large difference between the average assessments of council cohorts, the average assessments of small shires and large shires are significantly distorted because larger proportions of their rates revenue, (37.5% and 21.8% respectively) are raised through farm rates. The amounts paid in rates for farms are typically higher than most residential rate assessments due to the much larger land holdings and therefore greater values compared to residential assessments, notwithstanding the widespread use of differential rates to affect a discount for farm assessments.

It is also important to note that the average assessment is impacted by population. For example, the relatively high average assessment for rural and regional councils highlights the smaller population (and number of assessments) base in rural and regional areas and a limited range of income sources. By comparison, the average assessments in metropolitan and interface cohorts are positively impacted by total rates being distributed across a larger population base and often access to revenue streams other than rates.

The largest increase in the average assessment was between the years 2014-15 and 2015-16 in the large shire (7.9%) council cohort, the year before the implementation of the Fair Go Rates System (FGRS) implementation.

Post implementation of the FGRS, the year on year increase of the average assessment has significantly decreased for all council cohorts, showing the effect of the rate cap.

The following graph demonstrates that in the forward projections of councils since implementation of the FGRS there is a trend of lower growth in forecast income from rates and charges. The 2015-16 (prior to cap) projections are shown to show the difference.

In the 2015-16 Strategic Resource Plans (SRPs), the forecast year-on-year growth of rates and charges averaged 4.7%, while in 2016-17 SRPs, post the implementation of the FGRS cap, the predicted average growth decreased to 3.9%.

The SRPs also give a broad indication of future expectations of councils in respect of FGRS.

Over this period, there is no discernible evidence of widespread reduction in council service levels although several councils have flagged this as possible in the future. The Victorian Auditor-General’s Office have noted this potential risk and highlighted the importance of longer term service planning in consultation with local communities.[[4]](#footnote-5)

***Mix of rates and charges revenue***

Under the *Local Government Act 1989*, councils have discretion to determine what rates and charges will be levied and how this burden will be distributed. The 2017-18 adopted budgets of two councils, Knox City Council and Mount Alexander Shire Council reported a change to the mix of rates and charges to be levied. Knox introduced a waste service charge and Mount Alexander Shire are phasing out their municipal charge.

Ararat Rural City Council, Gannawarra Shire Council and the City of Yarra publicised changes to the mix of rates and charges in their proposed budgets which were subsequently not included in their final adopted 2017-18 budgets following community consultation.

***Municipal charges***

Pursuant to section 159 of the Act, councils may declare a municipal charge to cover some of the administrative costs of the council. In 2017-18 the budgeted total to be collected is $158.5 million, an increase of $3.85 million or 2.49% on 2016-17 levels.

In 2017-18 municipal charges are being levied by 42 councils including only six metropolitan councils.

***Waste charges***

Section 162 of the Act allows councils to raise service rates and charges. Service charges are most commonly raised in relation to waste services. Service charges are not currently subject to the rate cap. Across the sector there is a great diversity in waste service charges. Councils commonly provide services to individual properties such as garbage, recycling and green waste collection.

|  |
| --- |
| Councils that do not levy a separate waste charge:   * Banyule City Council; * Maribyrnong City Council; * Melbourne City Council; * Monash City Council; * Whitehorse City Council; * Whittlesea City Council; and * Yarra City Council. |

Separate waste charges are levied by 72 of the 79 Councils. This effectively means that the waste services provided by the remaining seven councils are funded by general rates.

The increase in budgeted waste charges revenue over the last three years has been substantially higher than both budgeted general rates revenue and consumer price index increases, with a 9.4% increase in 2015-16, 9.6% in 2016-17 and 5.7% in 2017-18.

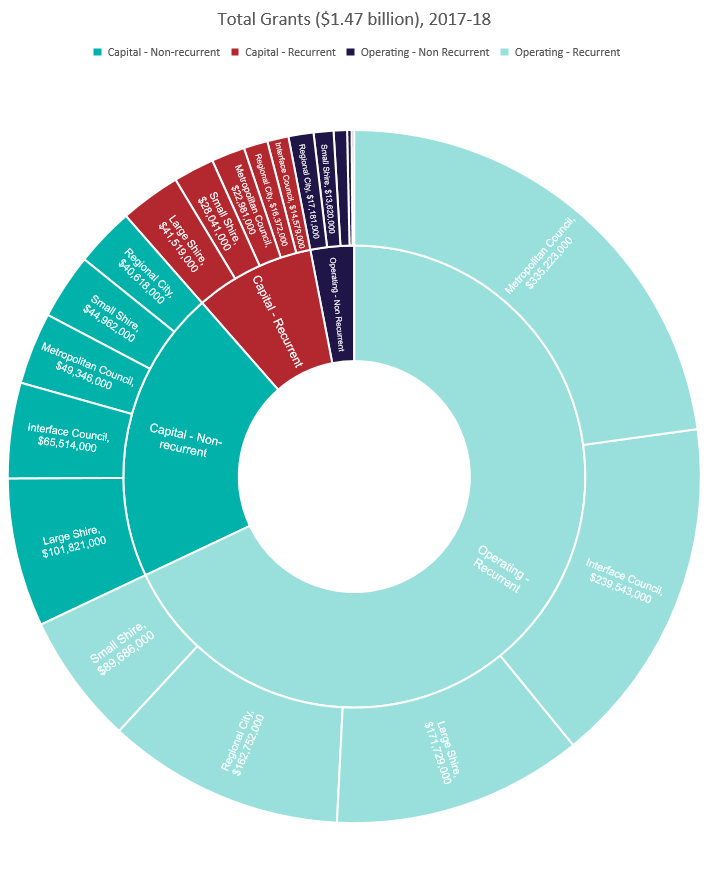
A portion of the larger than normal increases in 2015-16 and 2016-17 can be attributed to councils realigning their rating structures to ensure that waste charges are reflecting the actual cost of the service. Some councils made one-off increases in their waste charges to ensure that the charge reflected the cost of the service. In some instances, part of the cost of the service had historically been funded from general rate revenue. Increased landfill levies over the past few years have increased this upward pressure on costs also, translating into waste charge increases.

An emerging feature of waste services provided by councils is the capacity to select from a range of service options. Due to the multiple combinations available, any analysis of year on year increases must recognise that additional revenue can also be the result of a request for additional services.

### Grants

Councils forecast receiving $1.47 billion in grant funding during 2017-18.

$999 million (or 68%) of grant funding is expected to be recurrent operating funding, and a third (or $335 million) of this funding is expected to go to metropolitan shires. Another $302 million or 20% of grant funding is expected to be non-recurrent capital. The chart below provides a breakdown of grants.



## Expenditure

Councils are budgeting for total expenditure of $8.20 billion in 2017-18. This consists mostly of employee costs ($3.47 billion or 42%) and materials and services ($2.97 billion or 36%). The graph below shows the main expenditure budgeted by councils.

Another significant expenditure item is depreciation. Depreciation is the allocation of the cost of an asset over its useful life and reflects the pattern of consumption of the asset (i.e. wear and tear) over time. Depreciation is a significant expense of local government due to the asset intensive nature of the sector, particularly in relation to the management of fixed assets such as roads, bridges, drains and buildings.

Expenditure is forecast to increase at a steady rate over the next four years, with the highest increases being depreciation and amortisation, growing at an average of 3.7% per year over the next four years, and employee costs, growing at an average of 3.4% per year over the next four years.

The composition of council expenditure by cohort is illustrated in the graph above, specifically identifying depreciation and the challenge for rural and regional councils. While rural council spend on depreciation and amortisation is a significantly lower figure than that in metropolitan councils, it accounts for a significantly larger *proportion* of their total expenditure. This can be primarily attributed to small shires having much larger road networks relative to their overall asset maintenance responsibilities. To illustrate this disparity, the Shire of Buloke has a road network totalling 5,313 kilometres. This contrasts with the City of Stonnington, which has a road network of just 260 kilometres but enjoys significantly greater revenue.

### Capital Works

Combined capital expenditure for the sector is budgeted to be $2.80 billion in 2017-18. This is a 4.6% increase over the previous year. Over the next three years, 45.5% of these capital works are expected to be delivered by large and small shire councils, while only 28.8% are expected to be delivered by metropolitan councils. These figures include road construction and maintenance, which constitute a significant responsibility for rural and regional councils. Metropolitan, interface and regional cities together account for 54.5% of capital works despite their combined population comprising 87.8% of the Victorian total. In contrast, the 38 large and small shire councils with 12.1% of the population cover a geographically larger area with relatively larger road networks and higher costs.

The adopted budget documents reveal that of the $2.80 billion of works budgeted, $383 million of these works are carried over from the previous year. In most instances, this occurs because of construction delays that were unforeseen at budget time.

The graph below shows the forecast changes to council capital expenditure over the next four years by council cohort. Both small and large shires are forecasting significant decreases in capital expenditure over the next four years, however this can be attributed to decreased forecasts in capital grant funding, which is not in line with historical trends. It is important to note that interface councils receive large developer contributions including gifted assets. These are not reflected in the capital expenditure forecasts shown below.

The following charts show the composition of capital works expenditure and capital works funding in 2017-18. The bar chart below shows that interface councils and regional cities spend a much larger proportion of their budget on new assets compared to the other council cohorts, and significantly less on asset renewal. As the interface council populations stabilise and their asset base matures, it is likely they will decrease their expenditure on new assets and increase expenditure on renewal.

The chart above is based on data from Know Your Council and shows the actual and forecast asset renewal ratio (sometimes referred to as the ‘renewal gap’) which is the potential gap between planned expenditure on asset renewal compared to the forecast cost of depreciation. The ratio is an indicator of whether council spending on asset renewal is keeping pace with the rate of consumption of those assets and a ratio of 100% or greater is desirable. The chart shows that interface councils have lower levels of asset renewal spending due to their asset expenditure typically focusing on new rather than established assets due to recent growth. It also shows small shires and regional cities have relatively lower levels of asset renewal, with both cohorts around the 70-75% level. According to this indicator none of the council cohorts’ actual or forecast results reach a level of 1:1 renewal spend against depreciation.

It is important to note that the renewal ‘gap’ is hypothetical, but does highlight the possibility that many councils are not planning to invest sufficiently to maintain assets at their current levels. This can be due to planned service level reductions, financial constraints or both.

The graph below shows that a significantly larger proportion of capital works in rural and regional council areas are reliant on grant funding, while most metropolitan and interface council capital works are funded by own source revenue.

### Staff expenditure

Adopted budgets forecast that employment expenses will cost councils $3.52 billion in 2017-18, and that it will increase by 9.6% to $3.86 billion by 2020-21. The largest growth in staff expenditure over the next four years will be experienced by the interface council cohort, at 14.0%, due to increasing service requirements.

The council adopted budgets forecast that 36,213 full time equivalent staff members will be employed in the Victorian local government sector at 30 June 2018. Budgets forecast that this will increase by only 0.7% to 36,455 by 30 June 2020.

Evidence indicates that the majority of recent rural and regional council Enterprise Bargaining Agreement increases are under or close to 2.0%. It may be inferred that the introduction of the Fair Go Rates System is impacting wages growth in the sector, especially in rural and regional councils.

## Financial performance and position

Collectively, Victorian councils are budgeting to generate an operating surplus of $1.3 billion in 2017-18. The sector’s actual operating surplus for 2016-17 was $2.3 billion. Both the budgeted and actual surpluses have been impacted by the advance receipt of Commonwealth grant funds. The Victoria Grants Commission (VGC) paid councils approximately 50% of their 2017-18 allocation in June 2017. Under Australian Accounting Standards these funds must be recognised as revenue upon receipt and therefore inflate the 2016-17 surplus. Consequentially, most councils have also adjusted their budgeted 2017-18 grant income, reducing the 2017-18 surplus.

Overall, the financial position of the sector is strong, with low overall debt levels and significant cash reserves. The following two charts show the net result indicator by cohort and the adjusted underlying result indicator by cohort. These indicators are important ways to ascertain the financial health of local governments.

The net result indicator shows the operating result (e.g. surplus or deficit) as a percentage of total revenue, and is derived from the comprehensive income statement of each council. A positive result indicates a surplus, and the larger the percentage, the stronger the result. A negative result indicates a deficit.[[5]](#footnote-6) The below chart shows that rural and regional councils generally have lower net results, and that small shires in particular are forecasting their net results to decline over the next four years. The financial sustainability challenges of small shires were identified in VAGO’s November 2016 report *Local Government: 2015-16 Audit Snapshot*.

The chart also highlights that the interface cohort have consistently had the highest net results over the past five years, however this is mostly due to the significant value of developer contributed assets they receive and the requirement of the Australian Accounting Standards that these be recognised as revenue upon receipt.

The volatility in the chart largely reflects the timing of payment of financial assistance grants.

The *adjusted* underlying result indicator adjusts the council’s revenue and operating result to exclude items considered non-recurrent or capital in nature. This allows the indicator to measure the underlying operating performance of council in the ordinary course of business. To remain financially sustainable a council should ideally generate an underlying operating surplus, as operating deficits cannot be sustained in the longer term.

The chart below again highlights the volatility caused by the different timing of payments of financial assistance grants over recent years. It also shows the deficit operating performance, both actual and forecast, of small shire councils. This is impacted by the removal of capital grants for this indicator. The other four cohorts are forecasting break-even, or better, operating performance over the next four years. The chart shows the adjusted operating surpluses of the metropolitan and interface council cohorts have generally remained above 5% and are forecast to continue to do so.

These two indicators are used by the Victorian Auditor General to assess financial sustainability in their annual audits of local government finances and are replicated here by cohort group.

## Cash and debt

The sector is budgeting to hold cash and investments of approximately $3.3 billion at 30 June 2018. The sector’s actual cash and investments at 30 June 2017 was $4.4 billion. These actual levels of cash and investments have been positively impacted by the advance receipt of Commonwealth grant funds ($280 million).

Councils are budgeting collective borrowings of $1.29 billion by 30 June 2018. The actual level of debt at 30 June 2017 was $1.18 billion. The forward forecast for the next two years sees total borrowings increase to $1.51 billion by 30 June 2020. The increase in borrowings over the next three years is predominantly because of an increase in the use of loan funds by the City of Melbourne. They forecast their borrowings to increase from $30 million at 30 June 2018 to $251 million by 30 June 2020, primarily in relation to the redevelopment of the Queen Victoria Market (as highlighted by the chart below).

Appendices

1. Council Cohorts

|  |  |
| --- | --- |
| **COUNCIL** | **VLGCG GROUPING** |
| Banyule City Council | Metropolitan |
| Bayside City Council | Metropolitan |
| Boroondara City Council | Metropolitan |
| Brimbank City Council | Metropolitan |
| Darebin City Council | Metropolitan |
| Frankston City Council | Metropolitan |
| Glen Eira City Council | Metropolitan |
| Greater Dandenong City Council | Metropolitan |
| Hobsons Bay City Council | Metropolitan |
| Kingston City Council | Metropolitan |
| Knox City Council | Metropolitan |
| Manningham City Council | Metropolitan |
| Maribyrnong City Council | Metropolitan |
| Maroondah City Council | Metropolitan |
| Melbourne City Council | Metropolitan |
| Monash City Council | Metropolitan |
| Moonee Valley City Council | Metropolitan |
| Moreland City Council | Metropolitan |
| Port Phillip City Council | Metropolitan |
| Stonnington City Council | Metropolitan |
| Whitehorse City Council | Metropolitan |
| Yarra City Council | Metropolitan |

|  |  |
| --- | --- |
| **COUNCIL** | **VLGCG GROUPING** |
| Cardinia Shire Council | Interface |
| Casey City Council | Interface |
| Hume City Council | Interface |
| Melton Shire Council | Interface |
| Mornington Peninsula Shire Council | Interface |
| Nillumbik Shire Council | Interface |
| Whittlesea City Council | Interface |
| Wyndham City Council | Interface |
| Yarra Ranges Shire Council | Interface |

|  |  |
| --- | --- |
| **COUNCIL** | **VLGCG GROUPING** |
| Ballarat City Council | Regional City |
| Greater Bendigo City Council | Regional City |
| Greater Geelong City Council | Regional City |
| Greater Shepparton City Council | Regional City |
| Horsham Rural City Council | Regional City |
| Latrobe City Council | Regional City |
| Mildura Rural City Council | Regional City |
| Wangaratta Rural City Council | Regional City |
| Warrnambool City Council | Regional City |
| Wodonga City Council | Regional City |

|  |  |
| --- | --- |
| **COUNCIL** | **VLGCG GROUPING** |
| Bass Coast Shire Council | Large Shire |
| Baw Baw Shire Council | Large Shire |
| Campaspe Shire Council | Large Shire |
| Colac Otway Shire Council | Large Shire |
| Corangamite Shire Council | Large Shire |
| East Gippsland Shire Council | Large Shire |
| Glenelg Shire Council | Large Shire |
| Golden Plains Shire Council | Large Shire |
| Macedon Ranges Shire Council | Large Shire |
| Mitchell Shire Council | Large Shire |
| Moira Shire Council | Large Shire |
| Moorabool Shire Council | Large Shire |
| Mount Alexander Shire Council | Large Shire |
| Moyne Shire Council | Large Shire |
| South Gippsland Shire Council | Large Shire |
| Southern Grampians Shire Council | Large Shire |
| Surf Coast Shire Council | Large Shire |
| Swan Hill Rural City Council | Large Shire |
| Wellington Shire Council | Large Shire |

|  |  |
| --- | --- |
| **COUNCIL** | **VLGCG GROUPING** |
| Alpine Shire Council | Small Shire |
| Ararat Rural City Council | Small Shire |
| Benalla Rural City Council | Small Shire |
| Buloke Shire Council | Small Shire |
| Central Goldfields Shire Council | Small Shire |
| Gannawarra Shire Council | Small Shire |
| Hepburn Shire Council | Small Shire |
| Hindmarsh Shire Council | Small Shire |
| Indigo Shire Council | Small Shire |
| Loddon Shire Council | Small Shire |
| Mansfield Shire Council | Small Shire |
| Murrindindi Shire Council | Small Shire |
| Northern Grampians Shire Council | Small Shire |
| Pyrenees Shire Council | Small Shire |
| Borough of Queenscliffe | Small Shire |
| Strathbogie Shire Council | Small Shire |
| Towong Shire Council | Small Shire |
| West Wimmera Shire Council | Small Shire |
| Yarriambiack Shire Council | Small Shire |

1. . For 2017-18, the due date for adoption of council budgets was extended from 30 June to 31 August 2017. Section 130 of the *Local Government Act 1989* requires all councils to submit a copy of the budget, or revised budget, to the Minister for Local Government within 28 days of adopting the budget. [↑](#footnote-ref-2)
2. . Section 127 of the *Local Government Act 1989* [↑](#footnote-ref-3)
3. . Section 130(1) of the *Local Government Act 1989* [↑](#footnote-ref-4)
4. . Results of 2016-17 Audits: Local Government,Victorian Auditor-General’s Office, November 2017 [↑](#footnote-ref-5)
5. . Results of 2016-17 Audits: Local Government ,Victorian Auditor-General’s Office, November 2017 [↑](#footnote-ref-6)