



File: T&F22/1358  
A2684338

15 December 2022

Mr Rory McEwen

State Administration Centre  
200 Victoria Square  
Adelaide SA 5000  
GPO Box 1045  
Adelaide SA 5001  
DX56205  
Tel 08 8226 9500  
Fax 08 8226 3819  
<http://www.treasury.sa.gov.au>  
ABN 19 040 349 865

Sent via email:

Dear Mr McEwen

**Freedom of Information – Meeting with Treasurer 19 August 2020**

I refer to your application under the *Freedom of Information Act 1991* (FOI Act), transferred to the Department of Treasury and Finance (DTF) on 15 November 2022.

Your application specifically requested:

*‘Any notes or other internal communications and any communications with Treasurer Rob Lucas and his Office as a consequence of my meeting with senior Treasury officials on the morning of Wednesday 19th August 2020’*

The purpose of this letter is to advise you of my determination.

A total of 22 documents were identified as answering the terms of your application and I have determined as follows:

- I grant you access in full to 18 documents, copies of which are enclosed, and
- I grant you access in part to 4 documents, copies of which are enclosed.

Please refer to the attached schedule that describes each document and sets out my determination and reasons in summary form.

**Documents released in full**

Documents 1-7, 10-18, 20 and 22

**Documents released in part**

Documents 8-9, 19 and 21

The redacted information refers to a mobile phone number which appears in the email chain. Whilst the mobile number appears in the public servant's signature block, it is difficult to determine whether the mobile number is used solely for work purposes or mixed employment and personal use. The ability for an individual to be contacted outside of their ordinary work hours is unreasonable. Moreover, the Ombudsman has ruled that mobile numbers constitute

the personal affairs of the individuals concerned<sup>1</sup>. Therefore, in line with the Ombudsman determination, the mobile number is exempt pursuant to clause 6(1) of Schedule 1 to the FOI Act.

In addition, document 21 contains information concerning a third party. This information is of a personal nature and unrelated to the scope of the application, I determine to exempt this information pursuant to clause 6(1).

## Exemptions

### ***Clause 6 – Documents affecting personal affairs***

(1) *A document is an exempt document if it contains matter the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead).*

Please note, in compliance with Premier and Cabinet Circular PC045 - *Disclosure Logs for Non-Personal Information Released through Freedom of Information* (PC045), DTF is now required to publish a log of all non-personal information released under the *Freedom of Information Act 1991*.

In accordance with this Circular, any non-personal information determined for release as part of this application, may be published on the DTF website. A copy of PC045 can be found at the following address: <https://www.dpc.sa.gov.au/resources-and-publications/premier-and-cabinet-circulars>. Please visit the website for further information.

## Appeal Rights

If you are aggrieved with this determination, you have a right to apply for internal review under subsection 29(1) of the FOI Act. Pursuant to subsection 29(2), your application must:

- be in writing
- be accompanied by the application fee of \$39
- be addressed to the principal officer, and
- be lodged at an office of DTF, or emailed to [freedomofinformation2@sa.gov.au](mailto:freedomofinformation2@sa.gov.au) within 30 days after the day on which you receive this letter or within such further time as the principal officer may allow.

If you require any further information, please phone Inthira Stocker on (08) 8429 3497.

Yours sincerely



Maria Ross  
ACCREDITED FREEDOM OF INFORMATION OFFICER

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<sup>1</sup> Ombudsman Reference: 2019/01163; 2019/01165; 2019/01206; 2019/01207 [44]

**OFFICIAL****Schedule of Documents**

T&F22/1358 - Mr Rory McEwen - " Any notes or other internal communications and any communications with Treasurer Rob Lucas and his Office as a consequence of my meeting with senior Treasury officials on the morning of Wednesday 19th August 2020."

<b>Doc. No.</b>	<b>Date</b>	<b>Description of Document</b>	<b># of pages</b>	<b>Determination</b>	<b>Exemption Clause</b>
1	29/06/2020	Letter	2	Released in full	
2	26/08/2020 at 5:50pm	Email - Fwd: CAPS AND COLLARS	3	Released in full	
3	13/10/2020	Minute - Local Government Grants Commssion	4	Released in full	
4	14/12/2020	Ministerial Request	2	Released in full	
5		Attachment to document 4 - Email dated 11/12/2020 at 7:15am	1	Released in full	
6	21/12/2020	Minute - Meeting with R McEwen - Local Government Grants Commission	2	Released in full	
7	undated	Draft Treasurer's response	1	Released in full	
8	10/03/2021 at 8:49am	Email - Fw: SA Local Government Grant Commission - Distribution Methodology	2	Released in part	6(1) - Unreasonable disclosure of personal affairs
9	26/07/2021at 4:17pm	Email - Grants Commission Documents	1	Released in part	6(1) - Unreasonable disclosure of personal affairs
10		Attachment to document 9 - Summary of Local Government Financial Assistance Grants for 2021-22	5	Released in full	
11		Attachment to document 9 - Summary of Financial Asisstance Grants - General Purpose Model Contraints (Caps & Collars) over time	1	Released in full	
12	23/07/2021at 4:55pm	Email - Fw: Grants Commission Meeting for Monday	2	Released in full	
13	23/07/2021	Attachment to Document 12 - summary of grants to local government 2021-22.	2	Released in full	

**OFFICIAL**

## Schedule of Documents

Doc. No.	Date	Description of Document	# of pages	Determination	Exemption Clause
14	23/07/2021	Attachment to Document 12 - Attachment 2: National Principles	1	Released in full	
15	23/07/2021	Attachment to Document 12 - South Australian Local Government Grants Commission (SALGGC) Information Paper	8	Released in full	
16	23/07/2021	Attachment to Document 12 - SALGGC - Raw Calculations 2020-21	3	Released in full	
17	25/12/2020	Final Treasurer's response	1	Released in full	
18	10/09/2020 at 10:06am	Email - RE: TRS19D1367 - To action	3	Released in full	
19	9/10/2020 at 10:16am	Email - RE: R McEwen	1	Released in part	6(1) - Unreasonable disclosure of personal affairs
20	4/02/2021 at 3:19pm	Email - RE: TRS19D1367 - Final	1	Released in full	
21	22/07/2021 at 10:30am	Email - RE: SA Local Government Grants Commission - Distribution Methodology	4	Released in part	6(1) - Unreasonable disclosure of personal affairs
22	14/12/2020 at 4:31pm	Email - FW: TRS19D1367 - To Action	2	Released in full	



**Government  
of South Australia**

**Treasurer**

Level 8  
State Administration Centre  
200 Victoria Square  
Adelaide SA 5000  
GPO Box 2264  
Adelaide SA 5001  
DX 56203 Victoria Square  
Tel 08 8226 1866  
treasurer.dtf@sa.gov.au

TRS19D1367

Mr Rory McEwen

*Rory,*  
Dear Mr ~~Mc~~Ewen

Thank you for your email dated 29 May 2019 regarding the reasons for your resignation from the Local Government Grants Commission (LGGC), and for meeting with me on 26 June 2019 to discuss your concerns.

In relation to the distribution of grants by the LGGC, I note that the methodology used is published, and is consistent with the provisions of the *Commonwealth Local Government (Financial Assistance) Act 1995*. I have no evidence to suggest that the legislative provisions are not being complied with.

I have considered your concerns about the methodology used by the LGGC to distribute Commonwealth financial assistance grants between local government bodies in South Australia. I acknowledge at the outset that there is no single or perfect solution to the vexed issue of the distribution of funds across all local governments. Indeed, it is relevant to note that there are often challenges between the States and Territories in relation to the methodology adopted by the Commonwealth Grants Commission (CGC) for the distribution of GST revenue across the jurisdictions.

I sought advice from the Horizontal Fiscal Equalisation (HFE) experts in the Department of Treasury and Finance (DTF). DTF has advised that although the assessment process used by the LGGC resembles the HFE methodology principles used by the CGC for the distribution of GST revenue, there are limitations in the national framework for the allocation of local government Financial Assistance Grants (FAGs) that mean that true HFE outcomes are not achieved. The requirement for a minimum grant entitlement for each local government body regardless of assessed fiscal capacity limits HFE and reduces the pool of available funding to achieve HFE. Advice received by DTF also indicates that the pool of funding for distribution is not sufficient to provide full equalisation.



As you are aware, caps/floors on the change in grant amounts between years for each local government body are also applied by the LGGC. For example, in 2017-18 for the calculation of the 2018-19 grants, the LGGC constrained the annual change in grant allocations for any local government body to between negative 2% and positive 14%.

DTF advised me that most State Local Government Grants Commissions use these constraints from time to time (commonly referred to as 'caps and collars'), or alternative methods, to counter the effects of varying grant amounts for all councils.

The impact of these factors can create the potential for less than full equalisation outcomes, although there can be offsetting reasons for these outcomes.

It is also noted that the LGGC will often have difficulty in sourcing reliable and relevant data for assessment purposes that is disaggregated for local government areas. This necessitates the use of less accurate proxy measures to assess relative needs.

I am advised that the methodology used by the LGGC is provided in an annual information paper each year and is published on the LGGC website. The papers refer to the Commission determining limits to minimise the impacts on councils' budgetary processes. The actual level of caps and collars is provided in the LGGC annual report.

I am not aware, and the DTF advises me that it is not aware, of any stakeholder (such as the Local Government Authority (LGA) or a council) raising concerns or complaints about the LGGC methodology. I understand the issues you raised with me have been considered by the LGGC.

I accept that there are limitations with the national framework, and true HFE outcomes are not achieved, and thus the methodology is not perfect. However having considered Treasury's advice to me I have concluded that I will not pursue the option of an external review of the process.

Thank you for bringing your concerns to my attention.

Yours sincerely



**Hon Rob Lucas MLC**  
*Treasurer*

29 June 2020

**Stocker, Inthira (DTF)**

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**From:** Hocking, Stuart (DTF)  
**Sent:** Wednesday, 26 August 2020 5:50 PM  
**To:** Raymond, Greg (DTF); Collins, Mark (DTF)  
**Subject:** Fwd: CAPS AND COLLARS

FYI

Stuart Hocking  
 Deputy Chief Executive, Department of Treasury and Finance SA

Begin forwarded message:

**From:** "Wright, John (DIT)" <[John.Wright3@sa.gov.au](mailto:John.Wright3@sa.gov.au)>  
**Date:** 26 August 2020 at 5:32:07 pm ACST  
**To:** "Hocking, Stuart (DTF)" <[Stuart.Hocking@sa.gov.au](mailto:Stuart.Hocking@sa.gov.au)>  
**Subject:** Fw: CAPS AND COLLARS

Hi Stuart,

I refer to your phone call last week. Hopefully, by now, you may have had an opportunity to chat to PJE.

I was visiting OLG this afternoon (mainly covering briefings I have done for the new LG Minister (i.e. the Attorney) about the District Council of Coober Pedy and the ACC).

I stopped to chat to Peter Ilee and his offsider at LGGC (Alex Sgro). They mentioned that Rory McEwen has been pursuing his concerns by complaining to the Ombudsman, initiating a couple of FOI requests, lobbying a couple of the current LGGC Commissioners, unsuccessfully lobbying former Minister Knoll, and (almost certainly) by drafting a recent letter from Rebecca Sharkie to the Premier (which complains about the "unfair" share of LG FAGs that the DC of Yankalilla receives).

Peter Ilee has forwarded me the below email exchange with PJE on the "caps and collars" aspect.

For your information.

John W

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**From:** Ilee, Peter (DIT)  
**Sent:** Wednesday, 26 August 2020 3:22 PM  
**To:** Wright, John (DIT)  
**Cc:** Sgro, Alex (DIT)  
**Subject:** FW: CAPS AND COLLARS

JW,

As per our discussion, please find below the email I received from Peter Emery after following up on the request to clarify Peter's position and comments regarding the Commission's use of caps and collars.

It should be noted that Peter was invited to a Commission meeting to address a number of methodology issues with the Commissioners and covered a range of topics, predominately around the Commission's practice of using population in its assessment of relative need. The subject of caps and collars was also raised in terms of whether the process of applying constraints (caps and collars) to grant outcomes to manage changes in grants to account for unusual circumstances was appropriate. It was my view that Peter viewed the process as a necessary part of the process, but that it shouldn't be a long term strategy for individual councils. My take on those comments was that the Commission should be pro-active in managing its caps and collars, but not that it should cease to use them.

Mr McEwen was of the view that Peter did not support the use of caps and collars and no-one else in the room at the time interpreted Peter's comments that way. This point of difference prompted the follow-up, but Mr McEwen had resigned from his position as a Commissioner by the time I had the chance to provide the feedback from Peter below to the Commission.

Happy to discuss.

Peter

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**From:**  
**Sent:** Tuesday, 14 May 2019 10:18 AM  
**To:** Ilee, Peter (DPTI) <[Peter.Ilee@sa.gov.au](mailto:Peter.Ilee@sa.gov.au)>  
**Subject:** CAPS AND COLLARS

Dear Peter



I refer to your request for any comments I might have on this aspect of the Local Government Grant Commission's methodology. I record the following:-

1. This matter was referred to, albeit rather briefly, at the meeting of Commissioners and staff which I attended. I made no particular comment at the time but if I had it would have been that I supported the practice of the Commission in this regard.
2. It is clear from the record that from time to time the Commission's calculations for individual Councils come up with large increases or reductions compared with the previous year. These result from a variety of factors including data coming from sources external to the Commission a good example being changes in population following a Census. These kinds of changes would not necessarily have been foreseen by the Councils concerned and could in some cases have a significant effect on Council budgeting. It seems to me that it is perfectly reasonable for the Commission to take these aspects into account.
3. The Commission's practices in this area have been in place for some years. I note that the Commission has been sending details of its calculations to the Commonwealth including the relevant Department and the Commonwealth Grants Commission. To my knowledge no objection has been raised to the Commission's on-going procedures in this area.
4. One of the features of the Commission's current practice is that its determinations result in the 'plusses' in aggregate equalling the 'minuses'. This means that the Commission's calculations of appropriate grants are not otherwise disturbed which seems to me to be a good feature of the current approach.
5. In aggregate the adjustments made are minor relative to the overall level of grants.
6. As I recall from the meeting referred to above there was some degree of overlap in discussion between this matter and the changes affecting low population Councils particularly those with declining populations. I would suggest that the two issues here – i.e. the effect of large annual changes in grant levels and the general position of low population Councils – be regarded as separate. When you and I met last week we referred to the way in which grants for Councils other than those receiving the minimum per capita amounts were determined by reducing the raw calculations for each of the Councils concerned in the same proportion. I mention that this approach, although perfectly reasonable, was not the only one which could be applied there being alternatives which would produce higher grants or lower population Councils. I do not pursue this further here but it is something worth considering further in my view.
7. I record that I have made no attempt to delve into the details of how the Commission has made its adjustments for individual Councils. In the light of the above comments I do not believe that this would have been productive or a good use of my time.

As I have mentioned previously I appreciated the opportunity to participate in the meeting with Commissioners and the staff as I have also the several discussions which you and I have had. It is my belief that the Commission is continuing to do a sound job and I wish it well for the future.

Regards.

Peter Emery

MINUTE



m/yp?



MINUTES forming ENCLOSURE TRS19D1367 File TRS19D1367

Doc No A1569606

To The Treasurer

## LOCAL GOVERNMENT GRANTS COMMISSION

Timing: ROUTINE — For information only

**Recommendations/Issues:** It is recommended that you:

- Note that Treasury and Finance officers met with Mr Rory McEwen to discuss his concerns with the allocation of local government Financial Assistance Grants as determined by the Local Government Grants Commission (LGGC). A summary of the issues discussed are outlined in this brief.
- To better inform DTF regarding the issues raised by Mr McEwen, DTF proposes to encourage LGGC officials to present its next update to DTF officials. This will allow DTF to get a more practical understanding of the results that the current process is delivering and how that information is presented to the Commission.

Noted

Hon Rob Lucas MLC  
Treasurer

18 / 10 / 20.

**Key Points:**

- Last year, Mr Rory McEwen resigned as a member of the Local Government Grants Commission (LGGC). Upon resigning, Mr McEwen emailed you outlining his concerns about the results of the distribution methodology used by the LGGC.
- Mr McEwen's stated concerns were about the impact of population growth, ongoing use of "caps and collars" (maximum/minimum annual changes in grant amounts), the treatment of residual allocations and other system inconsistencies/ambiguities. He concluded that a review of the LGGC's methodology is required.

- On 29 June 2020, you responded to Mr McEwen stating that:
  - There appeared to be no evidence that the legislative provisions under the *Local Government (Financial Assistance) Act 1995* are not being complied with.
  - Although the assessment process used by the LGGC resembles the HFE methodology principles used by the CGC for the distribution of GST revenue, there are limitations in the national framework for the allocation of local government Financial Assistance Grants (FAGs) that mean that true HFE outcomes are not achieved.
- Following receipt of your response, Mr McEwen requested a meeting with Treasury and Finance officers directly involved in the HFE arrangements used to distributed GST revenue between the states. This meeting took place on 19 August 2020.

#### **Meeting with Mr McEwen – 19 August 2020**

- Mr McEwen expressed concerns about some of the outcomes that were being produced by the allocation system. This largely related to some councils experiencing significant growth in their “assessed” outcome between years and the difference between their actual allocation after the application of “caps and collars” on the grants a council receives and the “assessed” amounts.
- He used an example of certain councils assessed outcome varying significantly compared to their population growth.
- Mr McEwen referred to several possible issues with the methodology that may be responsible for the results:
  - The use of ABS resident population as a driver of a number of the assessments.
  - The impact of minimum per capita allocations for a number of councils (a Commonwealth obligation).
  - The impact of having ongoing “cap and collar” arrangements which mean that annual movements in funding allocations cannot increase or decrease outside of arbitrarily set parameters.
  - The measurement of expenditure factors or disabilities (eg the impact of maintaining jetties, defining different road types and bridges).
- While raising potential issues, Mr McEwen noted that he was not able to advise the actual impact that the issues raised were having on the assessment approach.
- Mr McEwen also expressed concerns about the lack of transparency in the assessment methodology by the LGGC. He indicated that only high level information was released by the Commission and the detail of the assessments are not transparent to Councils or the general public. He suggested that some form of review would be beneficial to fix anomalies in the allocation system.
- Mr McEwen concluded by saying that now he has raised his concerns, while hoping that a full review would be undertaken, ultimately he would not raise the issue further now that he had the opportunity to raise his concerns.



### Process used by the LGGC

- Financial Assistance Grants (FAGs) for local government bodies in South Australia are distributed in accordance with national principles set by the *Commonwealth Local Government (Financial Assistance) Act 1995 (Cwth)* which has a broad aim of allocating funds to local government bodies to give them the capacity to deliver an equitable level of services.
- The LGGC has developed a distribution methodology that reflects the national principles of horizontal equalisation, minimum grant entitlements, effort neutrality, other non-FAG support and the needs of Indigenous citizens.
- The LGGC assesses the revenue raising capacity of each local government body. Those bodies with a higher relative capacity to raise revenue (eg above average improved capital values) will receive a negative grant share adjustment and vice versa.
- An assessment of expenditure needs is also undertaken which considers the functions typically undertaken by local government bodies (eg waste management, local roads, planning and development, etc). Other adjustments are made for local road funding and special local road programs.
- Although the assessment process resembles the horizontal fiscal equalisation (HFE) methodology principles used by the Commonwealth Grants Commission for the distribution of GST revenue, there are limitations in the national framework for the allocation of local government FAGS that mean that true HFE outcomes are not achieved.
- The requirement for a minimum grant entitlement for each local government body regardless of assessed fiscal capacity limits HFE and reduces the pool of available funding to achieve HFE. Advice received by Treasury also indicates that the pool of funding for distribution is also not sufficient to provide full equalisation.
- Caps/floors on the change in grant amounts between years for each local government body are also applied by the LGGC. For example, in 2017-18 the LGGC constrained the annual change in grant allocations for any local government body to between negative 2% and positive 14%.
- The impact of these factors can create the potential for less than full equalisation outcomes, although there can be offsetting reasons for these outcomes.
- The application of minimum grant entitlements, the limited pool of funding and the ongoing use of "caps and collars" on grant entitlement growth will inherently constrain the ability of the system to deliver grant shares that accurately reflect the needs of each local government body. If specific local government bodies have the revenue raising capacity to generate revenues well above the average, their grant shares may not be appropriately altered downwards due to minimum grant share entitlements and the use of caps/collars. Alternatively the impact of high or low relative population growth may not be fully reflected.
- It is also noted that the LGGC will often have difficulty in sourcing reliable and relevant data for assessment purposes that is disaggregated to local government areas. This will necessitate the use of less accurate proxy measures to assess relative needs and can cause large revisions within the data.




- In considering the issues raised by Mr McEwen, Treasury and Finance contacted former senior Treasury staff who have ongoing engagement with local government issues and experience in the operation of the LGGC. Treasury has also previously engaged with the Office of the Local Government on this issue.
- None of these consultations raised any concerns with the approach or operation of the LGGC and their distribution model, noting that their overall aim is consistent with the intent of the guiding legislation to delivering funding based on HFE, subject to the required legislative constraints.
- As previously advised, Treasury and Finance is aware that KPMG was engaged to undertake a major review of the LGGC's methodology that was completed in 2013. In addition, it appears that the LGGC has undertaken several internal reviews of specific assessment areas in recent years and that the SA LGGC has regular contact with their interstate counterparts to review the reasonableness of their methodologies.
- Based on these consultations and the broad assessment approach undertaken by the LGGC, Treasury and Finance is comfortable with the overall approach of the Commission. However, Treasury and Finance has not attempted to undertake a detailed review of the methodology used by the LGGC. This would be a large piece of work and involve a review of the approach taken for each individual assessment. DTF does not have sufficient evidence at this stage to recommend a broad review.
- To better inform DTF regarding the issues raised by Mr McEwen, DTF proposes to encourage LGGC officials to present its next update to DTF officials. This will allow DTF to get a more practical understanding of the results that the current process is delivering and how that information is presented to the Commission.



Stuart Hocking  
DEPUTY CHIEF EXECUTIVE

13 October 2020

<p><u>Supported</u> / Not Supported</p> <p> David Reynolds <u>CHIEF EXECUTIVE</u> Department of Treasury and Finance Date...../...../..... 13/10/20</p>
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**Hon Rob Lucas MLC**  
Treasurer

File No:	T19/070
Physical ID:	TRS 901367
Author:	Rory McEwen
Date of Document:	

### MINISTERIAL REQUEST

To:	Stuart Hocking
Other:	cc. Helen Lardner

The attached correspondence is forwarded to your office for:

<input checked="" type="checkbox"/>	Draft Reply <i>ef re</i>
<input type="checkbox"/>	Draft Reply for Premier or other Minister (Please include a forwarding Minute for Treasurer's signature)
<input checked="" type="checkbox"/>	Briefing <i>(if required)</i>
<input type="checkbox"/>	Direct Response to Author by Chief Executive (Please return a copy of your reply to this office)
<input type="checkbox"/>	Please note Treasurer's specific comments
<input type="checkbox"/>	For Information
<input type="checkbox"/>	Tie response with _____
<input type="checkbox"/>	Other (see below)

.....  
 .....  
 .....  
 .....  
 RESPONSE TO BE RETURNED TO THE TREASURER'S OFFICE BY:

*29/12/20*

Please note if you foresee a problem meeting the due date please contact the Ministerial Liaison Officer **before the due date**. Extensions may not be able to be granted in some cases and therefore should not be assumed.

Thank you for your assistance.

*per/*   
**Shaun Davies**  
 Ministerial Liaison Officer

Ph: 8204 1492  
 Fax: 8226 1896

Date: *14/12/20*

PLEASE PREPARE RESPONSES IN 12PT ARIAL FONT

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(Physical ID, 9pt font)

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**\* (6-8 returns depending on size of letter)**

Mr John Smith

Company Title

Company Name

Address

ADELAIDE\*\*SA\*\*5000

\*

\*

**\* (3 returns)**

<email>

\*

\*

**\* (3 returns)** – (If email not available, **4 returns** after the address)

Dear

**\* (1 return only)**

Thank you for your letter (or email) dated (Day Month Year) about..... (if response is more than 2 weeks overdue\* the first line should read "Thank you for your letter" with no reference the date).

\*

Please note that this letter is an example of the standard layout required for letters to be signed by the Treasurer.

\*

In particular, please ensure:

- the font is Arial 12 point, with the left margin set at 2.8cm; and the top, bottom and right margins being set at 2.5cm;
- body of letter is fully justified.

\*

Please note that, for the purpose of this example, \* indicates line spacing. Spacing is variable, depending on the length of the document, however, please ensure consistency.

**\* (1 return only)**

Yours sincerely

**\* (5 returns)**

\*

\*

\*

\*

**Hon Rob Lucas MLC**

Treasurer

**\* (1 return only)**

(Month) 2019

(Indicate Att:, cc or enc as necessary, 9pt font)

*\*Treasurer's office requires a 30 day turnaround from receipt of correspondence to final response being sent.*

**DTF:Treasurer**

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**From:**  
**Sent:** Friday, 11 December 2020 7:15 AM  
**To:** DTF:Treasurer  
**Subject:** Grants Commissiin

11/12/2020  
719107015  
TR519D1367

Hi Rob and team. Thanks for facilitating a meeting with senior Treasury officials once I raised some concerns in relation to your correspondence. The meeting gave me an opportunity to set out in some detail what I saw as the major deficiencies in the Grants Commission methodology. I left the meeting with an understanding that I would receive some reaction ( even if simply a dismissal) to my presentation.

Could that be followed up please.

Thanks Rory McEwen

Sent from my iPad

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MINUTE



Government  
of South Australia  
Department of Treasury  
and Finance

MINUTES forming ENCLOSURE

21/12/2020  
File No: T&F17/0742  
Physical ID: Doc No A1680067

To The Treasurer

## MEETING WITH MR RORY MCEWEN - LOCAL GOVERNMENT GRANTS COMMISSION

Timing: ROUTINE — Response sought by 29/12/2020

**Recommendations/Issues:** It is recommended that you:

- Note that Mr Rory McEwen wrote to you (via email) seeking a response to the meeting held with Treasury officers on 19 August 2020 to discuss concerns he holds regarding the methodology used by the Local Government Grants Commission to distribute Financial Assistance Grants.
- Note that Treasury and Finance provided you with a briefing on the meeting with Mr McEwen on 13 October 2020 (attached).
- Sign the attached letter to Mr McEwen.

Approved

Hon Rob Lucas MLC  
Treasurer

25/12/20.

**Key Points:**

- Following an exchange of correspondence with Mr Rory McEwen about concerns he holds regarding the methodology used by the Local Government Grants Commission (LGGC) to distribute Financial Assistance Grants (FAGs), a meeting was arranged with Treasury staff to discuss his issues.
- The meeting took place on 19 August 2020 and Mr McEwen raised several potential issues that were producing counter-intuitive outcomes for some councils. Although Mr McEwen identified these issues, he was not able to provide specific examples on how each issue was delivering perverse outcomes.

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- 2 -

- Mr McEwen did not indicate that he was seeking a response to the issues raised but thought that a review of the LGGC methodology was desirable.
- Following the meeting Treasury and Finance provided you with a briefing on the issues discussed (copy attached).
- Treasury and Finance noted that the ultimate distribution of FAGs is a function of Commonwealth legislative requirements, minimum grant entitlement provisions, the application of "caps and collars" as well as the LGGC's assessment methodologies. All of these factors combine to produce outcomes that are not fully consistent with fiscal equalisation objectives.
- As previously advised, a major independent review of the LGGC's methodology was undertaken by KPMG in 2013. In addition, the LGGC has undertaken several internal reviews on specific issues, engaged with former senior Treasury staff and the LGGC has regular contact with their interstate counterparts to assess the reasonableness of their methodologies.
- Based on these reviews and consultations, Treasury and Finance is comfortable with overall approach of the Commission and do not recommend a further review of the LGGC's methodology at this point in time.
- To better inform Treasury and Finance of LGGC assessment issues, it is proposed that LGGC officials be encouraged to present their next update to Treasury and Finance officials. This will allow Treasury and Finance to get a more practical understanding of the results that the current process is delivering and how that information is presented to the LGGC.
- A letter to Mr McEwen is attached for your consideration.



Stuart Hocking  
DEPUTY CHIEF EXECUTIVE

21 December 2020



Mr Rory McEwen

Email:

Dear McEwen

Thank you for your email dated 11 December 2020 regarding the meeting you had with senior Treasury officials to discuss issues you have raised about the methodology used by the Local Government Grants Commission (LGGC) to distribute Financial Assistance Grants.

The Treasury officials appreciated discussing these matters with you and better understanding your concerns.

Although I do not believe that another major review of the methodology used by the LGGC is warranted at this stage, I will encourage LGGC officers to present their next update to Treasury officials. This will allow Treasury officials to get a more practical understanding of the results that the current process is delivering and how that information is presented to the Commission.

Thank you for raising your concerns.

Yours sincerely

**Hon Rob Lucas MLC**  
*Treasurer*

December 2020

## Summary of Local Government Financial Assistance Grants for the 2021-22 Financial Year

Council	Population		General Purpose Grant				Local Road Grant			Special Road Grant		Total Grant	
	as at 30 June 2019	as at 30 June 2020	2020-21 Actual	2021-22 Estimate	% Change	Per Capita	2020-21 Actual	2021-22 Estimate	% Change	2020-21 Actual	2021-22 Estimate	2020-21 Actual	2021-22 Estimate
Adelaide	25,456	26,177	540,119	562,544	4.15%	21.49	279,827	287,949	2.90%	595,000		1,414,946	850,493
Adelaide Hills	39,977	40,162	848,222	863,081	1.75%	21.49	759,439	772,205	1.68%			1,607,661	1,635,286
Adelaide Plains	9,137	9,441	1,197,808	1,248,163	4.32%	132.36	287,912	297,250	3.24%			1,485,720	1,546,838
Alexandrina	27,427	27,876	985,142	1,182,171	20.00%	42.41	660,909	676,609	2.38%			1,646,051	1,858,780
Barossa	25,021	25,245	910,575	1,092,690	20.00%	43.28	527,505	538,538	2.09%	250,000		1,438,081	1,881,228
Barunga West	2,563	2,550	306,841	276,157	-10.00%	108.30	219,571	222,959	1.54%			526,412	499,116
Berri Barmera	10,842	10,836	2,377,832	2,377,832	0.00%	219.44	233,878	237,003	1.34%	166,000		2,777,709	2,614,835
Burnside	45,816	46,127	972,112	991,269	1.97%	21.49	527,017	535,919	1.69%			1,499,129	1,527,188
Campbelltown	52,192	53,082	1,107,397	1,140,732	3.01%	21.49	582,913	596,276	2.29%	445,000		2,135,309	1,737,008
Ceduna	3,442	3,423	1,985,541	1,965,686	-1.00%	574.26	484,397	492,594	1.69%			2,469,938	2,458,280
Charles Sturt	118,943	120,733	2,523,702	2,594,552	2.81%	21.49	1,330,340	1,362,121	2.39%			3,854,042	3,956,673
Clare & Gilbert Valleys	9,424	9,470	864,316	950,747	10.00%	100.40	429,626	437,393	1.81%			1,293,942	1,388,140
Cleve	1,792	1,780	1,058,340	1,058,340	0.00%	594.57	434,647	442,200	1.74%			1,492,987	1,500,540
Cooper Pedy	1,834	1,820	825,597	825,597	0.00%	453.62	52,827	53,389	1.06%			878,424	878,986
Coorong	5,429	5,415	2,359,908	2,241,912	-5.00%	414.02	723,502	736,060	1.74%			3,083,410	2,977,972
Copper Coast	15,010	15,128	1,736,705	1,824,768	5.06%	120.61	362,774	369,676	1.90%	267,500		2,099,480	2,461,755
Elliston	1,008	1,011	722,868	722,868	0.09%	715.64	451,058	459,263	1.82%			1,173,926	1,182,777
Flinders Ranges	1,692	1,688	1,190,724	1,178,817	-1.00%	698.35	329,984	335,777	1.76%			1,520,708	1,514,594
Franklin Harbour	1,304	1,304	1,013,478	1,003,343	-1.00%	769.43	240,643	244,898	1.77%			1,254,121	1,248,241
Gawler	24,416	24,718	1,507,589	1,570,842	4.17%	63.54	355,857	364,965	2.56%			1,863,446	1,935,433
Goyder	4,190	4,170	2,499,088	2,374,133	-5.00%	569.34	675,362	686,905	1.71%			3,174,450	3,061,038
Grant	8,584	8,619	1,466,428	1,613,071	10.00%	187.15	371,905	378,509	1.78%	187,000	140,000	2,025,333	2,131,580
Holdfast Bay	37,435	37,784	794,286	811,978	2.23%	21.49	405,901	413,553	1.89%			1,200,187	1,225,531
Kangaroo Island	4,983	5,021	1,686,832	1,844,201	9.46%	367.74	440,108	451,378	2.56%	1,100,000		2,126,940	3,397,781
Karoonda East Murray	1,107	1,101	1,192,770	1,192,770	0.00%	1,083.35	374,223	380,834	1.77%			1,566,993	1,573,604
Kimba	1,065	1,056	992,779	992,779	0.00%	940.13	332,620	338,435	1.75%			1,325,399	1,331,214
Kingston	2,371	2,380	461,611	415,450	-10.00%	174.56	275,790	283,310	2.73%		150,000	737,401	848,760
Light	15,359	15,501	537,130	644,556	20.00%	41.58	460,156	469,156	1.96%	588,000	44,300	1,585,286	1,158,012
Lower Eyre Peninsula	5,780	5,814	492,294	541,524	10.00%	93.14	462,231	470,672	1.83%	1,002,000	1,976,950	1,956,526	2,989,146
Loxton Waikerie	11,743	11,737	3,550,224	3,550,224	0.00%	302.48	804,031	817,575	1.68%			4,354,255	4,367,799
Marion	93,448	94,879	1,982,756	2,038,950	2.83%	21.49	1,062,273	1,085,280	2.17%		129,250	3,045,029	3,253,480
Mid Murray	9,094	9,143	3,313,201	3,313,201	0.00%	362.38	723,590	736,581	1.80%			4,036,791	4,049,782
Mitcham	67,474	67,907	1,431,646	1,459,321	1.93%	21.49	831,820	845,995	1.70%			2,263,466	2,305,316
Mount Barker	36,571	37,744	775,954	827,881	6.75%	21.95	668,610	696,292	4.14%			1,444,563	1,524,653
Mount Gambier	27,275	27,433	2,990,358	3,192,533	6.73%	116.34	438,468	446,282	1.78%	380,000		3,808,827	3,637,933
Mount Remarkable	2,909	2,913	1,636,869	1,620,501	-1.00%	556.30	405,879	413,053	1.77%			2,042,749	2,033,554
Murray Bridge	22,495	22,847	3,475,074	3,475,074	0.00%	152.10	538,600	551,763	2.44%			4,013,675	4,026,837
Naracoorte Lucindale	8,555	8,574	2,744,119	2,716,677	-1.00%	316.85	531,021	540,125	1.71%	300,000		3,575,140	3,256,802
Northern Areas	4,619	4,625	1,399,797	1,399,797	0.00%	302.66	442,991	450,689	1.74%			1,842,788	1,850,486
Norwood, Payneham & St Peters	37,056	37,462	786,404	805,058	2.37%	21.49	392,726	400,286	1.92%			1,179,130	1,205,344
Onkaparinga	172,938	174,575	5,629,888	6,192,877	10.00%	35.47	2,606,160	2,667,781	2.36%	28,000		8,264,049	8,860,658
Ororoo Carrieton	850	844	957,892	957,892	0.00%	1,134.94	280,508	285,439	1.76%			1,238,400	1,243,331
Peterborough	1,687	1,668	1,299,348	1,286,354	-1.00%	771.20	268,569	273,004	1.65%			1,567,916	1,559,358
Playford	94,848	96,547	10,047,737	10,713,288	6.60%	110.94	1,441,199	1,477,643	2.53%		394,000	11,488,936	12,583,026
Port Adelaide Enfield	127,740	129,530	2,710,355	2,783,600	2.70%	21.49	1,497,113	1,530,074	2.20%	225,000		4,432,468	4,313,674
Port Augusta	13,862	13,697	2,767,032	2,767,032	0.00%	202.02	306,385	308,113	0.56%			3,073,416	3,075,145
Port Lincoln	14,718	14,750	1,478,180	1,478,180	0.00%	100.22	241,578	245,023	1.43%			1,719,758	1,723,203
Port Pirie	17,634	17,576	4,076,353	4,076,353	0.00%	231.93	516,994	523,934	1.34%			4,593,348	4,600,287
Prospect	21,520	21,827	456,606	469,062	2.73%	21.49	221,893	226,616	2.13%			678,499	695,678
Renmark Paringa	9,907	9,926	2,505,570	2,505,570	0.00%	252.42	244,066	247,675	1.48%	966,000	2,030,000	3,715,636	4,783,245
Robe	1,450	1,472	30,765	31,633	2.82%	21.49	118,694	121,043	1.98%			149,459	152,676
Roxby Downs	3,954	3,948	156,855	219,597	40.00%	55.62	69,154	69,939	1.14%			226,009	289,536
Salisbury	143,560	144,872	6,860,817	6,871,090	0.12%	47.41	1,737,240	1,768,773	1.82%	281,000		8,879,057	8,637,825
Southern Mallee	2,080	2,089	1,130,768	1,130,768	0.00%	541.30	441,148	449,134	1.81%			1,571,915	1,579,902

Council	Population		General Purpose Grant				Local Road Grant			Special Road Grant		Total Grant	
	as at 30 June 2019	as at 30 June 2020	2020-21 Actual	2021-22 Estimate	% Change	Per Capita	2020-21 Actual	2021-22 Estimate	% Change	2020-21 Actual	2021-22 Estimate	2020-21 Actual	2021-22 Estimate
Streaky Bay	2,192	2,204	1,449,440	1,449,440	0.00%	657.64	511,223	520,511	1.82%			1,960,663	1,969,951
Tatiara	6,816	6,827	2,989,946	2,989,946	0.00%	437.96	611,809	619,402	1.24%	333,000	250,000	3,934,754	3,859,348
Tea Tree Gully	100,261	100,862	2,127,312	2,167,524	1.89%	21.49	1,221,345	1,241,552	1.65%			3,348,657	3,409,076
Tumby Bay	2,702	2,733	481,334	457,267	-5.00%	167.31	284,510	289,883	1.89%			765,844	747,150
Unley	39,208	39,416	831,905	847,050	1.82%	21.49	410,400	415,305	1.20%	140,000		1,382,305	1,262,355
Victor Harbor	15,465	15,724	343,241	339,809	-1.00%	21.61	297,738	305,632	2.65%			640,979	645,441
Wakefield	6,838	6,773	1,924,743	1,924,743	0.00%	284.18	582,815	591,677	1.52%			2,507,558	2,516,420
Walkerville	8,000	8,094	169,742	173,940	2.47%	21.49	85,374	87,057	1.97%	150,000		405,116	260,997
Wattle Range	12,041	12,060	2,832,646	2,977,164	5.14%	246.95	593,864	603,769	1.67%			3,426,510	3,582,004
West Torrens	60,842	61,735	1,290,930	1,326,685	2.77%	21.49	672,313	686,625	2.13%	400,000		2,363,242	2,013,310
Whyalla	21,665	21,506	4,188,694	4,267,830	1.86%	198.40	411,025	413,990	0.72%			4,599,718	4,680,765
Wudinna	1,300	1,307	1,213,079	1,235,661	1.86%	945.44	436,352	444,398	1.84%			1,649,431	1,680,084
Yankalilla	5,572	5,679	191,887	196,705	2.82%	34.74	179,024	183,387	2.44%	300,000		670,911	380,686
Yorke Peninsula	11,324	11,331	1,338,567	1,204,709	-10.00%	106.32	894,888	910,096	1.70%			2,233,455	2,114,805
Outback Communities Au hority	2,948	2,888	1,578,475	1,615,314	2.33%	559.32	-	-	0.00%			1,578,475	1,615,314
Anangu Pitjantjatjara Yankunytja jara	2,573	2,590	1,248,991	1,278,140	2.33%	493.49	165,431	168,690	1.97%			1,414,422	1,446,830
Gerard	225	225	48,745	49,883	2.33%	221.70	22,040	22,474	1.97%			70,785	72,357
Maralinga Tjaru ja	64	64	99,062	101,374	2.33%	1,583.97	59,187	60,353	1.97%			158,249	161,727
Nipapanha	86	85	31,268	31,998	2.33%	376.45	21,945	22,377	1.97%			53,213	54,375
Yalata	255	255	175,449	179,544	2.33%	704.09	47,653	48,592	1.97%			223,102	228,136
Total	1,751,963	1,770,375	123,908,060	126,799,812	2.33%	71.62	37,412,567	38,149,678	1.97%	6,486,000	6,732,000	167,806,627	171,681,490

Summary of Local Government Financial Assistance Grants for the 2021-22 Financial Year													
Council	Population		General Purpose Grant				Local Road Grant			Special Road Grant		Total Grant	
	as at 30 June 2019	as at 30 June 2020	2020-21 Actual	2021-22 Estimate	% Change	Per Capita	2020-21 Actual	2021-22 Estimate	% Change	2020-21 Actual	2021-22 Estimate	2020-21 Actual	2021-22 Estimate
Adelaide	25,456	26,177	540,119	562,544	4.15%	21.49	279,827	287,949	2.90%	595,000		1,414,946	850,493
Adelaide Hills	39,977	40,162	848,222	863,081	1.75%	21.49	759,439	772,205	1.68%			1,607,661	1,635,286
Adelaide Plains	9,137	9,441	1,197,808	1,248,163	4.32%	132.36	287,912	297,250	3.24%			1,485,720	1,546,838
Alexandrina	27,427	27,876	985,142	1,182,171	20.00%	42.41	660,909	676,609	2.38%			1,646,051	1,858,780
Barossa	25,021	25,245	910,575	1,092,690	20.00%	43.28	527,505	538,538	2.09%	250,000		1,438,081	1,881,228
Barunga West	2,563	2,550	306,841	276,157	-10.00%	108.30	219,571	222,959	1.54%			526,412	499,116
Berri Barmera	10,842	10,836	2,377,832	2,377,832	0.00%	219.44	233,878	237,003	1.34%	166,000		2,777,709	2,614,835
Burnside	45,816	46,127	972,112	991,269	1.97%	21.49	527,017	535,919	1.69%			1,499,129	1,527,188
Campbelltown	52,192	53,082	1,107,397	1,140,732	3.01%	21.49	582,913	596,276	2.29%	445,000		2,135,309	1,737,008
Ceduna	3,442	3,423	1,985,541	1,965,686	-1.00%	574.26	484,397	492,594	1.69%			2,469,938	2,458,280
Charles Sturt	118,943	120,733	2,523,702	2,594,552	2.81%	21.49	1,330,340	1,362,121	2.39%			3,854,042	3,956,673
Clare & Gilbert Valleys	9,424	9,470	864,316	950,747	10.00%	100.40	429,626	437,393	1.81%			1,293,942	1,388,140
Cleve	1,792	1,780	1,058,340	1,058,340	0.00%	594.57	434,647	442,200	1.74%			1,492,987	1,500,540
Cooper Pedy	1,834	1,820	825,597	825,597	0.00%	453.62	52,827	53,389	1.06%			878,424	878,986
Coorong	5,429	5,415	2,359,908	2,241,912	-5.00%	414.02	723,502	736,060	1.74%			3,083,410	2,977,972
Copper Coast	15,010	15,128	1,736,705	1,824,768	5.06%	120.61	362,774	369,676	1.90%	267,500		2,099,480	2,461,755
Elliston	1,008	1,011	722,868	722,868	0.09%	715.64	451,058	459,263	1.82%			1,173,926	1,182,777
Flinders Ranges	1,692	1,688	1,190,724	1,178,817	-1.00%	698.35	329,984	335,777	1.76%			1,520,708	1,514,594
Franklin Harbour	1,304	1,304	1,013,478	1,003,343	-1.00%	769.43	240,643	244,898	1.77%			1,254,121	1,248,241
Gawler	24,416	24,718	1,507,589	1,570,842	4.17%	63.54	355,857	364,965	2.56%			1,863,446	1,935,433
Goyder	4,190	4,170	2,499,088	2,374,133	-5.00%	569.34	675,362	686,905	1.71%			3,174,450	3,061,038
Grant	8,584	8,619	1,466,428	1,613,071	10.00%	187.15	371,905	378,509	1.78%	187,000	140,000	2,025,333	2,131,580
Holdfast Bay	37,435	37,784	794,286	811,978	2.23%	21.49	405,901	413,553	1.89%			1,200,187	1,225,531
Kangaroo Island	4,983	5,021	1,686,832	1,844,201	9.46%	367.74	440,108	451,378	2.56%		1,100,000	2,126,940	3,397,781
Karoonda East Murray	1,107	1,101	1,192,770	1,192,770	0.00%	1,083.35	374,223	380,834	1.77%			1,566,993	1,573,604
Kimba	1,065	1,056	992,779	992,779	0.00%	940.13	332,620	338,435	1.75%			1,325,399	1,331,214
Kingston	2,371	2,380	461,611	415,450	-10.00%	174.56	275,790	283,310	2.73%		150,000	737,401	848,760
Light	15,359	15,501	537,130	644,556	20.00%	41.58	460,156	469,156	1.96%	588,000	44,300	1,585,286	1,158,012
Lower Eyre Peninsula	5,780	5,814	492,294	541,524	10.00%	93.14	462,231	470,672	1.83%	1,002,000	1,976,950	1,956,526	2,989,146
Loxton Waikerie	11,743	11,737	3,550,224	3,550,224	0.00%	302.48	804,031	817,575	1.68%			4,354,255	4,367,799
Marion	93,448	94,879	1,982,756	2,038,950	2.83%	21.49	1,062,273	1,085,280	2.17%		129,250	3,045,029	3,253,480
Mid Murray	9,094	9,143	3,313,201	3,313,201	0.00%	362.38	723,590	736,581	1.80%			4,036,791	4,049,782
Mitcham	67,474	67,907	1,431,646	1,459,321	1.93%	21.49	831,820	845,995	1.70%			2,263,466	2,305,316
Mount Barker	36,571	37,744	775,954	827,881	6.75%	21.95	668,610	696,292	4.14%			1,444,563	1,524,653
Mount Gambier	27,275	27,433	2,990,358	3,192,533	6.73%	116.34	438,468	446,282	1.78%	380,000		3,808,827	3,637,933
Mount Remarkable	2,909	2,913	1,636,869	1,620,501	-1.00%	556.30	405,879	413,053	1.77%			2,042,749	2,033,554
Murray Bridge	22,495	22,847	3,475,074	3,475,074	0.00%	152.10	538,600	551,763	2.44%			4,013,675	4,026,837
Naracoorte Lucindale	8,555	8,574	2,744,119	2,716,677	-1.00%	316.85	531,021	540,125	1.71%	300,000		3,575,140	3,256,802
Northern Areas	4,619	4,625	1,399,797	1,399,797	0.00%	302.66	442,991	450,689	1.74%			1,842,788	1,850,486
Norwood, Payneham & St Peters	37,056	37,462	786,404	805,058	2.37%	21.49	392,726	400,286	1.92%			1,179,130	1,205,344
Onkaparinga	172,938	174,575	5,629,888	6,192,877	10.00%	35.47	2,606,160	2,667,781	2.36%	28,000		8,264,049	8,860,658
Orroroo Carrieton	850	844	957,892	957,892	0.00%	1,134.94	280,508	285,439	1.76%			1,238,400	1,243,331
Peterborough	1,687	1,668	1,299,348	1,286,354	-1.00%	771.20	268,569	273,004	1.65%			1,567,916	1,559,358
Playford	94,848	96,547	10,047,737	10,713,288	6.60%	110.94	1,441,199	1,477,643	2.53%		394,000	11,488,936	12,583,026
Port Adelaide Enfield	127,740	129,530	2,710,355	2,783,600	2.70%	21.49	1,497,113	1,530,074	2.20%	225,000		4,432,468	4,313,674
Port Augusta	13,862	13,697	2,767,032	2,767,032	0.00%	202.02	306,385	308,113	0.56%			3,073,416	3,075,145
Port Lincoln	14,718	14,750	1,478,180	1,478,180	0.00%	100.22	241,578	245,023	1.43%			1,719,758	1,723,203
Port Pirie	17,634	17,576	4,076,353	4,076,353	0.00%	231.93	516,994	523,934	1.34%			4,593,348	4,600,287
Prospect	21,520	21,827	456,606	469,062	2.73%	21.49	221,893	226,616	2.13%			678,499	695,678

Council	Population		General Purpose Grant				Local Road Grant			Special Road Grant		Total Grant	
	as at	as at	2020-21	2021-22	%	Per	2020-21	2021-22	%	2020-21	2021-22	2020-21	2021-22
	30 June 2019	30 June 2020	Actual	Estimate	Change	Capita	Actual	Estimate	Change	Actual	Estimate	Actual	Estimate

### Summary of Local Government Financial Assistance Grants for the 2021-22 Financial Year

Council	Population		General Purpose Grant				Local Road Grant			Special Road Grant		Total Grant	
	as at	as at	2020-21	2021-22	%	Per	2020-21	2021-22	%	2020-21	2021-22	2020-21	2021-22
	30 June 2019	30 June 2020	Actual	Estimate	Change	Capita	Actual	Estimate	Change	Actual	Estimate	Actual	Estimate
Robe	1,450	1,472	30,765	31,633	2.82%	21.49	118,694	121,043	1.98%			149,459	152,676
Roxby Downs	3,954	3,948	156,855	219,597	40.00%	55.62	69,154	69,939	1.14%			226,009	289,536
Salisbury	143,560	144,872	6,860,817	6,871,090	0.12%	47.41	1,737,240	1,768,773	1.82%	281,000		8,879,057	8,637,825
Southern Mallee	2,080	2,089	1,130,768	1,130,768	0.00%	541.30	441,148	449,134	1.81%			1,571,915	1,579,902
Streaky Bay	2,192	2,204	1,449,440	1,449,440	0.00%	657.64	511,223	520,511	1.82%			1,960,663	1,969,951
Tatiara	6,816	6,827	2,989,946	2,989,946	0.00%	437.96	611,809	619,402	1.24%	333,000	250,000	3,934,754	3,859,348
Tea Tree Gully	100,261	100,862	2,127,312	2,167,524	1.89%	21.49	1,221,345	1,241,552	1.65%			3,348,657	3,409,076
Tumby Bay	2,702	2,733	481,334	457,267	-5.00%	167.31	284,510	289,883	1.89%			765,844	747,150
Unley	39,208	39,416	831,905	847,050	1.82%	21.49	410,400	415,305	1.20%	140,000		1,382,305	1,262,355
Victor Harbor	15,465	15,724	343,241	339,809	-1.00%	21.61	297,738	305,632	2.65%			640,979	645,441
Wakefield	6,838	6,773	1,924,743	1,924,743	0.00%	284.18	582,815	591,677	1.52%			2,507,558	2,516,420
Walkerville	8,000	8,094	169,742	173,940	2.47%	21.49	85,374	87,057	1.97%	150,000		405,116	260,997
Wattle Range	12,041	12,060	2,832,646	2,977,164	5.14%	246.95	593,864	603,769	1.67%			3,426,510	3,582,004
West Torrens	60,842	61,735	1,290,930	1,326,685	2.77%	21.49	672,313	686,625	2.13%	400,000		2,363,242	2,013,310
Whyalla	21,665	21,506	4,188,694	4,267,830	1.86%	198.40	411,025	413,990	0.72%			4,599,718	4,680,765
Wudinna	1,300	1,307	1,213,079	1,235,661	1.86%	945.44	436,352	444,398	1.84%			1,649,431	1,680,084
Yankalilla	5,572	5,679	191,887	196,705	2.82%	34.74	179,024	183,387	2.44%	300,000		670,911	380,686
Yorke Peninsula	11,324	11,331	1,338,567	1,204,709	-10.00%	106.32	894,888	910,096	1.70%			2,233,455	2,114,805
Ou back Communities Authority	2,948	2,888	1,578,475	1,615,314	2.33%	559.32	-	-	0.00%			1,578,475	1,615,314
Anangu Pitjara Yankunytjatjara	2,573	2,590	1,248,991	1,278,140	2.33%	493.49	165,431	168,690	1.97%			1,414,422	1,446,830
Gerard	225	225	48,745	49,883	2.33%	221.70	22,040	22,474	1.97%			70,785	72,357
Maralinga Tjarutja	64	64	99,062	101,374	2.33%	1,583.97	59,187	60,353	1.97%			158,249	161,727
Nipapanha	86	85	31,268	31,998	2.33%	376.45	21,945	22,377	1.97%			53,213	54,375
Yalata	255	255	175,449	179,544	2.33%	704.09	47,653	48,592	1.97%			223,102	228,136
Total	1,751,963	1,770,375	123,908,060	126,799,812	2.33%	71.62	37,412,567	38,149,678	1.97%	6,486,000	6,732,000	167,806,627	171,681,490



	Estimated Entitlement 2021-22 (including Brought Forward Payment)			Brought Forward Payment Paid 8 June 2021		Estimated Entitlement 2020-21 (Est Entitlement less Brought Forward Payment)			+/- Adjustment 2020-21			Cash Payment 2021-22			Total Cash payment 2021-22
Council	General Purpose	Local Roads	Special Roads	General Purpose	Local Roads	General Purpose	Local Roads	Special Roads	General Purpose	Local Roads	Special Roads	General Purpose	Local Roads	Special Roads	
Adelaide	\$562,544	\$287,949	\$0	\$273,629	\$160,175	\$288,915	\$127,774	\$0	\$8,343	\$4,921	\$0	\$297,258	\$132,695	\$0	\$429,953
Adelaide Hills	\$863,081	\$772,205	\$0	\$423,779	\$422,119	\$439,302	\$350,086	\$0	\$13,103	\$13,355	\$0	\$452,405	\$363,441	\$0	\$815,846
Adelaide Plains	\$1,248,163	\$297,250	\$0	\$601,784	\$182,197	\$646,379	\$115,053	\$0	\$18,502	\$5,063	\$0	\$664,881	\$120,116	\$0	\$784,997
Alexandrina	\$1,182,171	\$676,609	\$0	\$550,865	\$420,524	\$631,306	\$256,085	\$0	\$15,217	\$11,622	\$0	\$646,523	\$267,707	\$0	\$914,230
Barossa	\$1,092,690	\$538,538	\$250,000	\$506,155	\$337,206	\$586,535	\$201,332	\$250,000	\$14,066	\$9,276	\$0	\$600,601	\$210,608	\$250,000	\$1,061,209
Barunga West	\$276,157	\$222,959	\$0	\$135,926	\$128,657	\$140,231	\$94,302	\$0	\$4,739	\$3,861	\$0	\$144,970	\$98,163	\$0	\$243,133
Berri Barmera	\$2,377,832	\$237,003	\$0	\$1,183,725	\$150,372	\$1,194,107	\$86,631	\$0	\$36,729	\$4,113	\$0	\$1,230,836	\$90,744	\$0	\$1,321,580
Burnside	\$991,269	\$535,919	\$0	\$496,336	\$318,595	\$494,933	\$217,324	\$0	\$15,016	\$9,268	\$0	\$509,949	\$226,592	\$0	\$736,541
Campbelltown	\$1,140,732	\$596,276	\$0	\$558,354	\$337,380	\$582,378	\$258,896	\$0	\$17,106	\$10,251	\$0	\$599,484	\$269,147	\$0	\$868,631
Ceduna	\$1,965,686	\$492,594	\$0	\$988,266	\$286,417	\$977,420	\$206,177	\$0	\$30,670	\$8,518	\$0	\$1,008,090	\$214,695	\$0	\$1,222,785
Charles Sturt	\$2,594,552	\$1,362,121	\$0	\$1,284,773	\$790,225	\$1,309,779	\$571,896	\$0	\$38,983	\$23,394	\$0	\$1,348,762	\$595,290	\$0	\$1,944,052
Clare & Gilbert Valleys	\$950,747	\$437,393	\$0	\$447,271	\$262,399	\$503,476	\$174,994	\$0	\$13,351	\$7,555	\$0	\$516,827	\$182,549	\$0	\$699,376
Cleve	\$1,058,340	\$442,200	\$0	\$526,861	\$264,732	\$531,479	\$177,468	\$0	\$16,348	\$7,643	\$0	\$547,827	\$185,111	\$0	\$732,938
Coober Pedy	\$825,597	\$53,389	\$0	\$404,617	\$30,088	\$420,980	\$23,301	\$0	\$12,752	\$929	\$0	\$433,732	\$24,230	\$0	\$457,962
Coorong	\$2,241,912	\$736,060	\$0	\$1,161,753	\$434,494	\$1,080,159	\$301,566	\$0	\$36,453	\$12,723	\$0	\$1,116,612	\$314,289	\$0	\$1,430,901
Copper Coast	\$1,824,768	\$369,676	\$267,500	\$899,943	\$217,745	\$924,825	\$151,931	\$267,500	\$26,826	\$6,379	\$0	\$951,651	\$158,310	\$267,500	\$1,377,461
Elliston	\$722,868	\$459,263	\$0	\$359,857	\$275,590	\$363,011	\$183,673	\$0	\$11,166	\$7,932	\$0	\$374,177	\$191,605	\$0	\$565,782
Flinders Ranges	\$1,178,817	\$335,777	\$0	\$592,765	\$202,276	\$586,052	\$133,501	\$0	\$18,392	\$5,803	\$0	\$604,444	\$139,304	\$0	\$743,748
Franklin Harbour	\$1,003,343	\$244,898	\$0	\$498,923	\$147,800	\$504,420	\$97,098	\$0	\$15,655	\$4,232	\$0	\$520,075	\$101,330	\$0	\$621,405
Gawler	\$1,570,842	\$364,965	\$0	\$777,048	\$217,885	\$793,794	\$147,080	\$0	\$23,288	\$6,258	\$0	\$817,082	\$153,338	\$0	\$970,420
Goyder	\$2,374,133	\$686,905	\$0	\$1,172,090	\$347,190	\$1,202,043	\$339,715	\$0	\$38,603	\$11,876	\$0	\$1,240,646	\$351,591	\$0	\$1,592,237
Grant	\$1,613,071	\$378,509	\$140,000	\$787,504	\$222,850	\$825,567	\$155,659	\$140,000	\$22,652	\$6,540	\$0	\$848,219	\$162,199	\$140,000	\$1,150,418
Holdfast Bay	\$811,978	\$413,553	\$0	\$389,916	\$225,032	\$422,062	\$188,521	\$0	\$12,269	\$7,138	\$0	\$434,331	\$195,659	\$0	\$629,990
Kangaroo Island	\$1,844,201	\$451,378	\$1,100,000	\$847,171	\$271,783	\$997,030	\$179,595	\$1,100,000	\$26,056	\$7,739	\$0	\$1,023,086	\$187,334	\$1,100,000	\$2,310,420
Karoonda East Murray	\$1,192,770	\$380,834	\$0	\$593,781	\$230,840	\$598,989	\$149,994	\$0	\$18,425	\$6,581	\$0	\$617,414	\$156,575	\$0	\$773,989
Kimba	\$992,779	\$338,435	\$0	\$494,222	\$201,034	\$498,557	\$137,401	\$0	\$15,335	\$5,849	\$0	\$513,892	\$143,250	\$0	\$657,142
Kingston	\$415,450	\$283,310	\$150,000	\$213,121	\$173,047	\$202,329	\$110,263	\$150,000	\$7,131	\$4,850	\$0	\$209,460	\$115,113	\$150,000	\$474,573
Light	\$644,556	\$469,156	\$44,300	\$320,475	\$272,966	\$324,081	\$196,190	\$44,300	\$8,297	\$8,092	\$0	\$332,378	\$204,282	\$44,300	\$580,960
Lower Eyre Peninsula	\$541,524	\$470,672	\$1,976,950	\$246,436	\$296,489	\$295,088	\$174,183	\$1,976,950	\$7,604	\$8,128	\$0	\$302,692	\$182,311	\$1,976,950	\$2,461,953
Loxton Waikerie	\$3,550,224	\$817,575	\$0	\$1,767,363	\$493,677	\$1,782,861	\$323,898	\$0	\$54,839	\$14,139	\$0	\$1,837,700	\$338,037	\$0	\$2,175,737
Marion	\$2,038,950	\$1,085,280	\$129,250	\$1,024,114	\$644,238	\$1,014,836	\$441,042	\$129,250	\$30,627	\$18,680	\$0	\$1,045,463	\$459,722	\$129,250	\$1,634,435
Mid Murray	\$3,313,201	\$736,581	\$0	\$1,698,641	\$449,216	\$1,614,560	\$287,365	\$0	\$51,178	\$12,724	\$0	\$1,665,738	\$300,089	\$0	\$1,965,827
Mitcham	\$1,459,321	\$845,995	\$0	\$723,673	\$489,112	\$735,648	\$356,883	\$0	\$22,115	\$14,628	\$0	\$757,763	\$371,511	\$0	\$1,129,274
Mount Barker	\$827,881	\$696,292	\$0	\$447,384	\$427,489	\$380,497	\$268,803	\$0	\$11,986	\$11,757	\$0	\$392,483	\$280,560	\$0	\$673,043
Mount Gambier	\$3,192,533	\$446,282	\$0	\$1,528,892	\$268,708	\$1,663,641	\$177,574	\$0	\$46,191	\$7,710	\$0	\$1,709,832	\$185,284	\$0	\$1,895,116
Mount Remarkable	\$1,620,501	\$413,053	\$0	\$814,861	\$246,069	\$805,640	\$166,984	\$0	\$25,284	\$7,137	\$0	\$830,924	\$174,121	\$0	\$1,005,045
Murray Bridge	\$3,475,074	\$551,763	\$0	\$1,762,195	\$328,010	\$1,712,879	\$223,753	\$0	\$53,679	\$9,471	\$0	\$1,766,558	\$233,224	\$0	\$1,999,782
Naracoorte Lucindale	\$2,716,677	\$540,125	\$0	\$1,492,611	\$327,239	\$1,224,066	\$212,886	\$0	\$42,388	\$9,338	\$0	\$1,266,454	\$222,224	\$0	\$1,488,678
Northern Areas	\$1,399,797	\$450,689	\$0	\$696,843	\$270,699	\$702,954	\$179,990	\$0	\$21,622	\$7,790	\$0	\$724,576	\$187,780	\$0	\$912,356
Norwood, Payneham & St Peters	\$805,058	\$400,286	\$0	\$387,797	\$219,300	\$417,261	\$180,986	\$0	\$12,148	\$6,906	\$0	\$429,409	\$187,892	\$0	\$617,301
Onkaparinga	\$6,192,877	\$2,667,781	\$0	\$2,901,154	\$1,523,683	\$3,291,723	\$1,144,098	\$0	\$86,963	\$45,829	\$0	\$3,378,686	\$1,189,927	\$0	\$4,568,613
Orroroo Carrieton	\$957,892	\$285,439	\$0	\$476,854	\$173,038	\$481,038	\$112,401	\$0	\$14,797	\$4,933	\$0	\$495,835	\$117,334	\$0	\$613,169
Peterborough	\$1,286,354	\$273,004	\$0	\$639,654	\$162,798	\$646,700	\$110,206	\$0	\$20,071	\$4,723	\$0	\$666,771	\$114,929	\$0	\$781,700
Playford	\$10,713,288	\$1,477,643	\$394,000	\$5,125,350	\$878,744	\$5,587,938	\$598,899	\$394,000	\$155,205	\$25,344	\$0	\$5,743,143	\$624,243	\$394,000	\$6,761,386
Port Adelaide Enfield	\$2,783,600	\$1,530,074	\$0	\$1,367,472	\$876,416	\$1,416,128	\$653,658	\$0	\$41,866	\$26,327	\$0	\$1,457,994	\$679,985	\$0	\$2,137,979
Port Augusta	\$2,767,032	\$308,113	\$0	\$1,431,787	\$167,463	\$1,335,245	\$140,650	\$0	\$42,741	\$5,388	\$0	\$1,377,986	\$146,038	\$0	\$1,524,024
Port Lincoln	\$1,478,180	\$245,023	\$0	\$761,837	\$129,106	\$716,343	\$115,917	\$0	\$22,833	\$4,248	\$0	\$739,176	\$120,165	\$0	\$859,341
Port Pirie	\$4,076,353	\$523,934	\$0	\$2,029,279	\$307,797	\$2,047,074	\$216,137	\$0	\$62,966	\$9,091	\$0	\$2,110,040	\$225,228	\$0	\$2,335,268
Prospect	\$469,062	\$226,616	\$0	\$228,812	\$127,185	\$240,250	\$99,431	\$0	\$7,053	\$3,902	\$0	\$247,303	\$103,333	\$0	\$350,636
Renmark Paringa	\$2,505,570	\$247,675	\$2,030,000	\$1,247,315	\$163,250	\$1,258,255	\$84,425	\$2,030,000	\$38,703	\$4,292	\$0	\$1,296,958	\$88,717	\$2,030,000	\$3,415,675
Robe	\$31,633	\$121,043	\$0	\$15,144	\$69,878	\$16,489	\$51,165	\$0	\$475	\$2,087	\$0	\$16,964	\$53,252	\$0	\$70,216
Roxby Downs	\$219,597	\$69,939	\$0	\$87,710	\$7,439	\$131,887	\$62,500	\$0	\$2,423	\$1,216	\$0	\$134,310	\$63,716	\$0	\$198,026
Salisbury	\$6,871,090	\$1,768,773	\$0	\$3,687,648	\$1,048,861	\$3,183,442	\$719,912	\$0	\$105,977	\$30,549	\$0	\$3,289,419	\$750,461	\$0	\$4,039,880
Southern Mallee	\$1,130,768	\$449,134	\$0	\$562,915	\$265,427	\$567,853	\$183,707	\$0	\$17,466	\$7,758	\$0	\$585,319	\$191,465	\$0	\$776,784
Streaky Bay	\$1,449,440	\$520,511	\$0	\$721,555	\$304,069	\$727,885	\$216,442	\$0	\$22,389	\$8,990	\$0	\$750,274	\$225,432	\$0	\$975,706
Tatiara	\$2,989,946	\$619,402	\$250,000	\$1,658,370	\$373,011	\$1,331,576	\$246,391	\$250,000	\$46,185	\$10,759	\$0	\$1,377,761	\$257,150	\$250,000	\$1,884,911
Tea Tree Gully	\$2,167,524	\$1,241,552	\$0	\$1,089,772	\$730,232	\$1,077,752	\$511,320	\$0	\$32,860	\$21,477	\$0	\$1,110,612	\$532,797	\$0	\$1,643,409
Tumby Bay	\$457,267	\$289,883	\$0	\$237,008	\$179,086	\$220,259	\$110,797	\$0	\$7,435	\$5,003	\$0	\$227,694	\$115,800	\$0	\$343,494
Unley	\$847,050	\$415,305	\$0	\$413,901	\$234,305	\$433,149	\$181,000	\$0	\$12,850	\$7,217	\$0	\$445,999	\$188,217	\$0	\$634,216
Victor Harbor	\$339,809	\$305,632	\$0	\$170,328	\$169,383	\$169,481	\$136,249	\$0	\$5,301	\$5,236	\$0	\$174,782	\$141,485	\$0	\$316,267
Wakefield	\$1,924,743	\$591,677	\$0	\$958,170	\$352,761	\$966,573	\$238,916	\$0	\$29,731	\$10,249	\$0	\$996,304	\$249,165	\$0	\$1,245,469
Walkerville	\$173,940	\$87,057	\$0	\$88,472	\$52,818	\$85,468	\$34,239	\$0	\$2,622	\$1,501	\$0	\$88,090	\$35,740	\$0	\$123,830
Wattle Range	\$2,977,164	\$603,769	\$0	\$1,495,712	\$374,015	\$1,481,452	\$229,754	\$0	\$43,755	\$10,443	\$0	\$1,525,207	\$240,197	\$0	\$1,765,404
West Torrens	\$1,326,685	\$686,625	\$0	\$656,976	\$397,862	\$669,709	\$288,763	\$0	\$19,941	\$11,823	\$0	\$689,650	\$300,586	\$0	\$990,236
Whyalla	\$4,267,830	\$413,990	\$0	\$2,139,696	\$219,201	\$2,128,134	\$194,789	\$0	\$64,702	\$7,228	\$0	\$2,192,836	\$202,017	\$0	\$2,394,853
Wudinna	\$1,235,661	\$444,398	\$0	\$603,894	\$265,527	\$631,767	\$178,871	\$0	\$18,736	\$7,673	\$0	\$650,503	\$186,544	\$0	\$837,047
Yankalilla	\$196,705	\$183,387	\$0	\$111,974	\$122,896	\$84,731	\$60,491	\$0	\$2,964	\$3,148	\$0	\$87,695	\$63,639	\$0	\$151,334
Yorke Peninsula	\$1,204,709	\$910,096	\$0	\$635,391	\$542,074	\$569,318	\$368,022	\$0	\$20,678	\$15,737	\$0	\$589,996	\$383,759	\$0	\$973,755
Outback Communities Authority	\$1,615,314	\$0	\$0	\$805,492	\$0	\$809,822	\$0	\$0	\$24,382	\$0	\$0	\$834,204	\$0	\$0	\$834,204
Anangu Pitjantjatjara	\$1,278,140	\$168,690	\$0	\$637,358	\$99,046	\$640,782	\$69,644	\$0	\$19,292	\$2,909	\$0	\$660,07			

## Financial Assistance Grants - General Purpose Model Constraints (Caps &amp; Collars) over time

	GENERAL CONSTRAINTS		SPECIFIC CONSTRAINTS Applied when a council's (Per Capita Applied) Calculation is significantly higher/lower than Final Estimated Grant				
Financial Assistance Grants	Standard Minimum	Standard Maximum	Below Standard Minimum		Above Standard Maximum		Notes
			Criteria	Minimum	Criteria	Maximum	
1997-98	-4.8%	4.5%	-	None	-	None	No real specific constraints in place. Grants fell into the range specified in general constraints
1998-99	-10.0%	20.0%	• 'Selected' councils held	0% to -5%	• 'Selected' councils held	10%	
1999-00	-10.0%	20.0%	• 'Selected' councils held	0%	• 'Selected' councils held	5%	
2000-01	-10.0%	20.0%	-	None	• 'Selected' councils held	8% & 10%	
2001-02	-10.0%	20.0%	• Predetermined amount to selected councils	up to -21%	• 'Selected' councils held	8% & 10%	
2002-03	-10.0%	20.0%	• Predetermined amount to selected councils	up to -27%	-	None	
2003-04	-10.0%	20.0%	• Predetermined amount to selected councils	up to -31%	-	None	
2004-05	-10.0%	20.0%	PCA applied to Selected Councils	None	-	None	
2005-06	-10.0%	20.0%	• 'Selected' councils held	-5%	-	None	
2006-07	-5.0%	10.0%	• 'Selected' councils held	0%	-	None	
2007-08	0%	10.0%	-	None	-	None	
2008-09	-1.0%	10.0%	• 'Selected' councils held • < -30%	0% -2%	-	None	
2009-10	-1.5%	9.0%	• 'Selected' councils held • < -50%	0% -2%	-	None	
2010-11	-1.5%	9.0%	• -20% to -50% (away from PCA) • < -50% (away from PCA)	-3% -5%	• 50% to 100% (away from PCA) • > 100% (away from PCA)	10% 12%	
2011-12	-1.5%	9.0%	'Selected' councils held	0% to -5%	> 100% (away from PCA)	12%	
2012-13	-1.5%	9.0%	• -20% to -30% (away from PCA) • <-30% (away from PCA)	-3% -5%	• 50% to 100% (away from PCA) • > 100% (away from PCA)	10% 12%	
2013-14	-1.5%	9.0%	• -15% to -20% (away from PCA) • < -20% regional (away from PCA) • < -20% metro (away from PCA)	-2% -3% -5%	• 50% to 100% (away from PCA) • > 100% (away from PCA)	10% 12%	
2014-15	-1.0%	0.5%	• -15% to -20% (away from PCA) • < -20% (away from PCA)	-2% -3%	-	None	3 year Indexation pause (Year 1 of 3)
2015-16	-1.0%	0.5%	• -15% to -20% (away from PCA) • -20% to -30% (away from PCA) • < -30% (away from PCA)	-2% -3% -4%	-	None	3 year Indexation pause (Year 2 of 3)
2016-17	-1.0%	0.5%	-	None	-	None	3 year Indexation pause (Year 3 of 3)
2017-18	-2.0%	10.0%	-	None	• > 50% (away from PCA)	14%	
2018-19	-2.0%	10.0%	-	None	• > 50% (away from PCA)	14%	
2019-20	1.0%	10.0%	• If the percentage of Final Estimated Grant over Raw Calculation is >40% • If the percentage of Final Estimated Grant over Raw Calculation is >40% & < -30% (away from PCA)	0% -3%	• > 50% (away from PCA)	14%	Standard minimum Minimum floor aproach introduced. Applied 1.0% floor if raw calculation is increasing from the previous year.
2020-21	0.0%	2.0%	• If the percentage of Final Estimated Grant over Raw Calculation is >36.5% & <40% • If the percentage of Final Estimated Grant over Raw Calculation is >40% • If the percentage of Final Estimated Grant over Raw Calculation is >40% & < -30% (away from PCA)	-1% -5% -10%	• If the percentage of Final Estimated Grant over Raw Calculation is <26% • > 50% (away from PCA)	10% 20%	

2021-22 General Purpose Grant Calculations (Final Advice Model 2021-22 - Option FA (2A))  
Estimated Grant over Raw Calculation

Source: Total Raw Grant, Per Capita Applied and Estimated Grants Over Source: Time (1998-99 to 2020-21)

	Final Advice Model 2021-22 (2A) - Fn50 Removal of Non Resident Use											Last Years Final Model		
	FORMULA	UPDATED	FORMULA	FORMULA	FORMULA	FORMULA	FORMULA	FORMULA		FORMULA	FORMULA	FORMULA	UPDATED	UPDATED
	Raw Grant		Per Capita Applied (PCA)		Formula	Estimated Grant	Estimated Grant	Formula		Grant % Change				
	Raw Grant Per Capita \$	Raw grant % Change %	Per Capita Applied (per head) \$	Per Capita % Change %	PCA over Raw Grant Per Capita %	Estimated Grant (Model FA 2021-22 \$	Estimated Grant per capita (Model FA 2021-22 \$	Estimated Grant over Raw Calculation %		Previous Year's Actual \$	% Change from (2021-22 Est to 2020-21 Actual) %	\$ Change from (2021-22 Est to 2020-21 Actual) \$	% Change from (2020-21 Est to 2019-20 Actual)	Estimated Grant Per Capita over Raw Grant Per Capita (Scaleback post Caps &
Roxby Downs	271.09	32.08%	88.52	122.81%	32.66%	219,597.00	55.62	20.52%	156,854.89	40.00%	62,742	10.00%	19.27%	
Alexandrina	167.10	22.82%	54.57	54.40%	32.66%	1,182,171.00	42.41	25.38%	985,142.20	20.00%	197,029	10.00%	25.74%	
Light	161.36	6.85%	52.69	52.07%	32.66%	644,556.00	41.58	25.77%	537,129.89	20.00%	107,426	20.00%	22.80%	
Barossa	155.97	6.55%	50.93	41.21%	32.66%	1,092,690.00	43.28	27.75%	910,575.39	20.00%	182,115	10.00%	24.10%	
Clare & Gilbert Valleys	351.36	6.04%	114.74	25.71%	32.66%	950,747.00	100.40	28.57%	864,315.83	10.00%	86,431	2.00%	26.55%	
Lower Eyre Peninsula	325.94	3.37%	106.44	25.70%	32.66%	541,524.00	93.14	28.58%	492,294.32	10.00%	49,230	2.00%	26.13%	
Grant	607.56	-2.06%	198.40	16.61%	32.66%	1,613,071.00	187.15	30.80%	1,466,428.49	10.00%	146,643	2.00%	27.51%	
Onkaparinga	113.97	8.71%	37.22	15.40%	32.66%	6,192,877.00	35.47	31.13%	5,629,888.21	10.00%	562,989	0.00%	31.23%	
Salisbury	151.91	2.11%	49.61	4.75%	32.66%	6,869,052.00	47.41	31.21%	6,860,817.00	0.12%	8,235	0.00%	32.16%	
Yankalilla	111.31	-1.15%	36.35	7.58%	32.66%	197,299.00	34.74	31.21%	191,887.02	2.82%	5,412	20.00%	23.13%	
Adelaide Plains	424.07	3.58%	138.48	9.15%	32.66%	1,249,588.00	132.36	31.21%	1,197,808.19	4.32%	51,780	0.00%	31.50%	
Copper Coast	386.43	1.89%	126.19	9.92%	32.66%	1,824,579.00	120.61	31.21%	1,736,705.37	5.06%	87,874	0.27%	29.34%	
Elliston	2,292.87	3.59%	748.75	4.72%	32.66%	723,514.00	715.64	31.21%	722,867.93	0.09%	646	0.00%	29.88%	
Gawler	203.56	8.32%	66.47	8.99%	32.66%	1,570,468.00	63.54	31.21%	1,507,589.28	4.17%	62,879	0.00%	31.50%	
Kangaroo Island	1,178.20	11.69%	384.75	14.52%	32.66%	1,846,403.00	367.74	31.21%	1,686,831.99	9.46%	159,571	0.00%	30.54%	
Mount Gambier	372.76	3.03%	121.73	11.67%	32.66%	3,191,651.00	116.34	31.21%	2,990,358.17	6.73%	201,293	0.13%	29.34%	
Wattle Range	791.22	-0.30%	258.38	10.00%	32.66%	2,978,235.00	246.95	31.21%	2,832,646.04	5.14%	145,589	0.23%	29.34%	
Whyalla	635.66	1.93%	207.58	6.58%	32.66%	4,266,775.00	198.40	31.21%	4,188,693.50	1.86%	78,081	0.00%	30.50%	
Wudinna	3,029.12	3.63%	989.17	6.58%	32.66%	1,235,686.00	945.44	31.21%	1,213,079.07	1.86%	22,607	0.00%	31.47%	
Mount Barker	70.32	33.77%	22.96	11.69%	32.66%	828,361.00	21.95	31.21%	775,953.93	6.75%	52,407	1.88%		
Playford	355.46	7.94%	116.08	11.54%	32.66%	10,711,383.00	110.94	31.21%	10,047,737.42	6.60%	663,646	0.00%	31.57%	
Murray Bridge	485.36	3.98%	158.50	4.20%	32.66%	3,475,074.00	152.10	31.34%	3,475,074.44	0.00%	0	0.00%	32.09%	
Mid Murray	1,154.28	2.10%	376.93	4.02%	32.66%	3,313,201.00	362.38	31.39%	3,313,201.03	0.00%	0	0.00%	31.63%	
Port Lincoln	315.17	4.23%	102.92	2.70%	32.66%	1,478,180.00	100.22	31.80%	1,478,180.01	0.00%	0	0.00%	31.10%	
Port Augusta	627.63	1.15%	204.96	1.46%	32.66%	2,767,032.00	202.02	32.19%	2,767,031.51	0.00%	0	0.00%	31.57%	
Kimba	2,909.77	3.40%	950.20	1.07%	32.66%	992,779.00	940.13	32.31%	992,779.16	0.00%	0	0.00%	33.14%	
Loxton Waikerie	935.71	3.71%	305.56	1.02%	32.66%	3,550,224.00	302.48	32.33%	3,550,224.26	0.00%	0	0.00%	32.98%	
Cleve	1,832.43	3.42%	598.39	0.64%	32.66%	1,058,340.00	594.57	32.45%	1,058,339.86	0.00%	0	0.00%	33.41%	
Northern Areas	927.80	6.20%	302.98	0.11%	32.66%	1,399,797.00	302.66	32.62%	1,399,797.25	0.00%	0	0.00%	35.17%	
Port Pirie	710.90	3.96%	232.15	0.09%	32.66%	4,076,353.00	231.93	32.62%	4,076,353.22	0.00%	0	0.00%	33.22%	
Coober Pedy	1,368.20	3.43%	446.79	-1.51%	32.66%	825,597.00	453.62	33.15%	825,596.75	0.00%	0	0.00%	31.55%	
Berri Barmera	655.41	2.98%	214.03	-2.47%	32.66%	2,377,832.00	219.44	33.48%	2,377,831.66	0.00%	0	0.00%	33.53%	
Southern Mallee	1,608.97	2.35%	525.42	-2.93%	32.66%	1,130,768.00	541.30	33.64%	1,130,767.63	0.00%	0	0.00%	34.40%	
Tatiara	1,274.87	-1.24%	416.31	-4.94%	32.66%	2,989,946.00	437.96	34.35%	2,989,945.80	0.00%	0	0.00%	33.90%	
Orroroo Carrieton	3,295.86	1.65%	1,076.28	-5.17%	32.66%	957,892.00	1,134.94	34.44%	957,892.28	0.00%	0	0.00%	35.09%	
Renmark Paringa	730.87	2.81%	238.67	-5.45%	32.66%	2,505,570.00	252.42	34.54%	2,505,569.79	0.00%	0	0.00%	34.58%	
Karoonda East Murray	3,128.58	3.31%	1,021.65	-5.70%	32.66%	1,192,770.00	1,083.35	34.63%	1,192,770.37	0.00%	0	0.00%	35.62%	
Streaky Bay	1,885.29	7.95%	615.65	-6.39%	32.66%	1,449,440.00	657.64	34.88%	1,449,440.07	0.00%	0	0.00%	35.93%	
Wakefield	803.99	0.33%	262.55	-7.61%	32.66%	1,924,743.00	284.18	35.35%	1,924,742.93	0.00%	0	0.00%	35.99%	
Mount Remarkable	1,538.02	-0.37%	502.25	-10.62%	32.66%	1,620,501.00	556.30	36.17%	1,636,869.23	-1.00%	-16,368	0.00%	35.18%	
Naracoorte Lucindale	857.89	-3.08%	280.15	-12.47%	32.66%	2,716,677.00	316.85	36.93%	2,744,118.58	-1.00%	-27,442	0.00%	35.97%	
Franklin Harbour	2,072.53	7.34%	676.80	-12.92%	32.66%	1,003,343.00	769.43	37.13%	1,013,477.89	-1.00%	-10,135	-1.00%	37.43%	
Flinders Ranges	1,880.53	4.05%	614.10	-12.94%	32.66%	1,178,817.00	698.35	37.14%	1,190,723.76	-1.00%	-11,907	0.00%	36.05%	
Peterborough	2,075.66	3.03%	677.82	-12.99%	32.66%	1,286,354.00	771.20	37.15%	1,299,347.64	-1.00%	-12,994	-1.00%	37.34%	
Victor Harbor	57.00	-8.52%	18.61	-14.73%	32.66%	339,809.00	21.61	37.91%	343,240.94	-1.00%	-3,432	2.00%	28.91%	
Ceduna	1,466.04	3.48%	478.74	-17.47%	32.66%	1,965,686.00	574.26	39.17%	1,985,541.06	-1.00%	-19,855	-1.00%	38.60%	
Goyder	1,442.30	3.76%	470.99	-21.41%	32.66%	2,374,133.00	569.34	39.47%	2,499,087.66	-5.00%	-124,955	-5.00%	42.90%	
Coorong	1,035.02	-3.37%	337.99	-22.45%	32.66%	2,241,912.00	414.02	40.00%	2,359,907.79	-5.00%	-117,996	-1.00%	39.53%	
Tumby Bay	402.29	11.07%	131.37	-25.41%	32.66%	457,267.00	167.31	41.59%	481,334.02	-5.00%	-24,067	-5.00%	43.08%	
Yorke Peninsula	233.57	-11.30%	76.27	-35.44%	32.66%	1,204,709.00	106.32	45.52%	1,338,567.45	-10.00%	-133,858	-5.00%	43.45%	
Barunga West	189.02	-8.48%	61.72	-48.70%	32.66%	276,157.00	108.30	57.29%	306,840.68	-10.00%	-30,684	-10.00%	46.50%	
Kingston	261.93	-25.92%	85.53	-55.90%	32.66%	415,450.00	174.56	66.64%	461,611.37	-10.00%	-46,161	-10.00%	44.62%	
Average (excluding PCM \$21.49 pe	604.03		246.71		24.82%		258.33	25.94%		2.70%	41,434	0.64%		

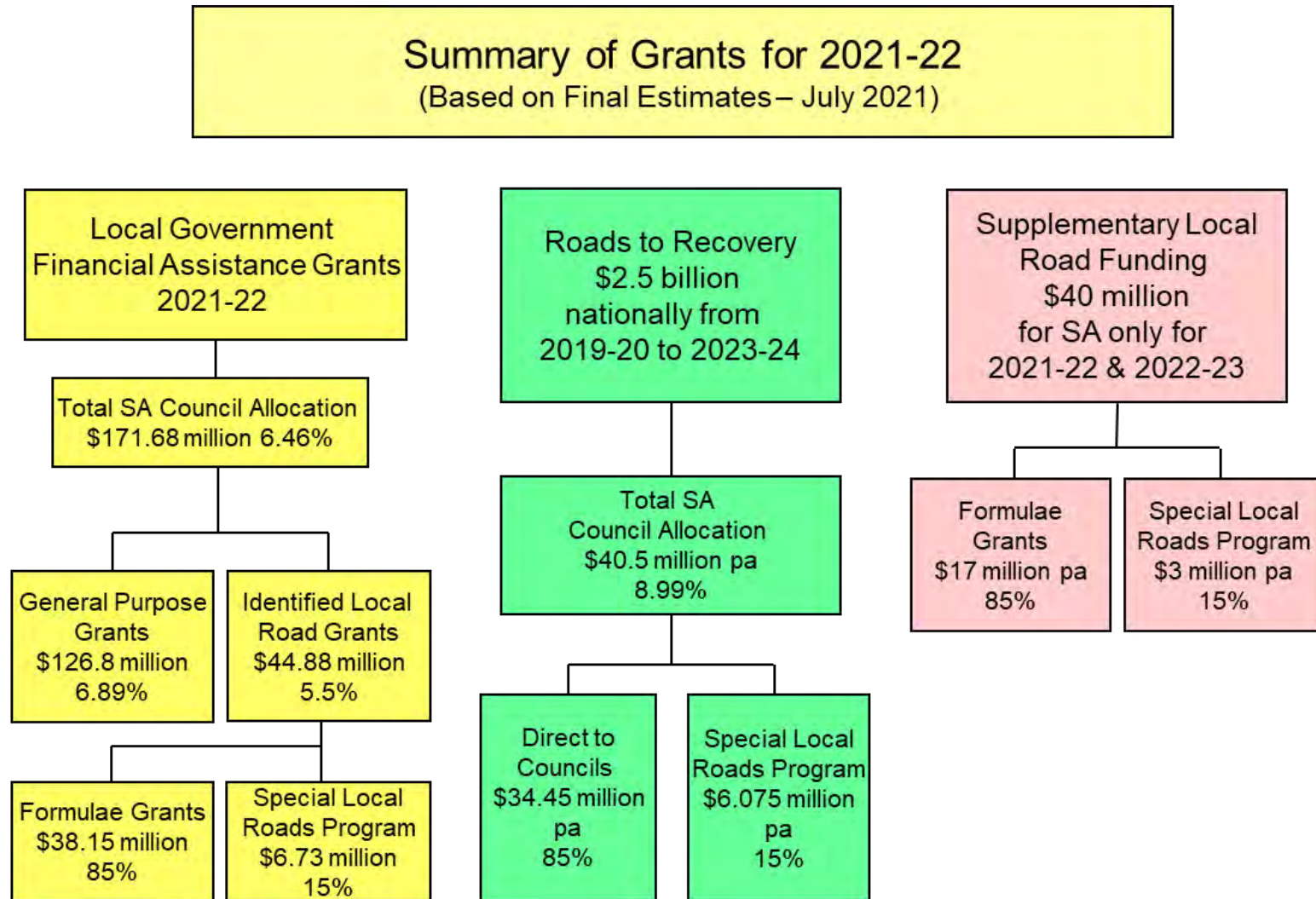
Methodology changes  
Fn 50 - Removal of Non Resident Use (H/M/L Allowance)

Other

Capping Criteria Used for 2021-22 Grants

Standard Maximum	10%
Above Standard Maximum	40%
Above Standard Maximum	20%
Standard Minimum	0%
Below Standard Minimum	-1%
Below Standard Minimum	-5%
Below Standard Minimum	-10%

NOTES
-
If > 100% (away from PCA) If > 40% (away from PCA) & If the percentage of Estimated Grant over Raw Calc is <26%
Standard Minimum floor aproach introduced for 2019-20.
If the percentage of Estimated Grant over Raw Calc is >36% If <-20% (away from PCA) & If the percentage of Estimated Grant over Raw Calc is >36% If <-30% (away from PCA) & If the percentage of Estimated Grant over Raw Calc is >45%



\* Roads to Recovery Allocations for South Australia do not include amounts allocated to DPTI.



## **Commonwealth Financial Assistance Grants (FA Grants) – See GC98A**

FA Grants are divided into two components; (1) General Purpose Grants and (2) Identified Local Road Grants.

### **1. General Purpose Grants - Recommendations**

The General Purpose Grant pool has been estimated to increase by 2.24 percent or \$40.3 million across Australia and 2.33 percent or \$2.89 million for South Australia for 2021-22. The increase is significantly higher than the 1.13 percent or \$19.9 million provided nationally for 2020-21, which was impacted by the bushfires of the summer of 2019-20 and the COVID-19 crisis.

General Purpose Grants are allocated on a per capita basis and while South Australia's population is increasing, its proportion of the national population has been decreasing for many years. This has meant that South Australia has, over many years, received a reducing allocation of general purpose grants each year. For 2021-22, South Australia's proportion of the national pool of general purpose grants is estimated to have increased from 6.88 percent of the actual allocation for 2020-21 to 6.89 percent of the final estimated allocation for 2021-22.

Given the current climate, the Commission has continued to carefully manage its approach to the allocation of general purpose grants across the State. It has focussed on ensuring that councils with significant changes to assessed need are addressed (positively and negatively) and councils with smaller changes in assessed need are provided with support to maintain the same level of funding to that which was provided in 2020-21.

As a result, 13 of the State's 74 local governing authorities (68 Councils, 5 Aboriginal Communities and the Outback Communities Authority) will receive a reduction in general purpose grants, ranging from 10 percent to 1 percent. A further 18 bodies will receive general purpose grants equal to that which they received for 2020-21 (a zero percent change). Reductions are the result of the Commission's assessment of capacity to provide services and a reducing need for assistance from the grants program.

Conversely, general purpose grants for 16 of the State's local governing authorities are increasing, up to 20 percent over their actual 2020-21 grants and one local governing body is recommended to receive a 40 percent increase – albeit a relatively smaller dollar increase.

The increases in grants reflect an increasing need for assistance in general purpose grants, based on underlying factors such as valuations, population, need for expenditure or previous changes to the Commission's methodology. The Commission recommends capping increases in order to provide manageable changes to grants for councils within the pool of funding available from the Federal Government for 2021-22.

There are 17 councils on the per capita minimum for 2021-22, the same number as the previous year. The per capita minimum for 2021-22 is \$21.49, an increase of \$0.60 per capita from 2020-21. The increasing per capita minimum for 2021-22 reflects a larger increase in the pool of funding for 2021-22 and a small increase in the estimated proportion of the population for SA, which correlates to a small increase in the share of the pool of general purpose grants.



The Commission recommends that general purpose grants for the Aboriginal local governing authorities and the Outback Communities Authority return to an annual increase in funding equivalent to the increase in the general purpose grants for South Australia and have recommended an increase of 2.33 percent.

For 2021-22, the Commission has made one change to its distribution methodology to reflect many discussions with elected bodies as part of council visits and the Commission's continual review of its methodology. The change to the methodology is the exclusion of the non-resident use allowance currently provided in its other needs assessment (Function 50). This allowance, historically based on Commission judgement, has been removed based on the Commission's assessment that non-resident use of council services cannot be measured for every council and that revenue and expenditure from non-resident use is already captured in the methodology.

Work has also continued to review the assessment of expenditure need for maintenance of footpaths and associated road infrastructure. While no changes were made to the methodology to account for this work, further data will be collected and analysed in the coming 12 months on this area.

The Commission's overall approach to distributing general purpose grants focuses on a more detailed examination of changes in assessed need from previous years and the current year (2021-22) and a more targeted application of caps and collars, which the Commission uses to manage changes in grants over time.

## **2. Identified Local Road Grants - Recommendations**

In accordance with local road grant distribution principles, 85 percent of the total pool is allocated for Formulae Grants and 15 percent to the Special Local Roads Program.

The Formulae Grants are based on factors that influence the level of inherent need such as road length, population and area. Movements in the grants are influenced by changes in these factors. There are no constraints limiting changes.

Identified Local Road Grants will increase by 2.24 percent or \$17.9 million across Australia and 2.24 percent or \$983,000 for South Australia for 2021-22. Formulae grants for individual councils will increase by an average of 1.90 percent for 2021-22 and changes in Formulae Grants for individual councils range between 0.56 percent and 4.14 percent. Changes in grants are due to changes in councils' population and road lengths.

Recommendations for distribution of the 2021-22 Special Local Roads Program are discussed below and are presented in the Commission's recommendations (see GC98A).

### **Supplementary Local Road Funding – See GC98B**

South Australia's share of the Identified Local Road Grants is fixed at 5.5 per cent of the total national pool. The State Government believes that the allocation to the States on an historical basis is inequitable, given that South Australia has 11.8 percent of the Nation's local roads and an estimated 6.89 percent of the National population.

This inequity was addressed, in part, with the Supplementary Local Road Funding program provided between 2004-05 and 2013-14. This funding provided an additional \$135.4 million in road funding to South Australia, increasing the proportion of road funding for South Australia from 5.5 percent to 7.4 percent. The funding was not renewed between 2014-15 and 2016-17.

The Supplementary Local Road Funding program was re-instated as part of the 2017-18 Federal Budget with \$20 million provided in each of the 2017-18 and 2018-19 financial years, was extended for 2019-20 and 2020-21, providing \$20 million each year and has been further extended again for 2021-22 and 2022-23 providing \$20 million each year.

The Supplementary Local Road Funding is provided to South Australia under the terms of an updated Project Agreement between the State and Federal Government, which was revised in June 2019 to include 2019-20 and 2020-21 and will be extended again to cover 2021-22 and 2022-23. The conditions of the Agreement ensure that arrangements for the provision of the Supplementary Local Road Funding mirror the Identified Local Road Grants, including:

- The Minister for Planning and Local Government providing recommendations made by the Commission for distribution of the Supplementary Local Road Funding;
- Funding, when provided by the Federal Government, is passed on to local governing authorities, without undue delay; and
- The Minister Planning and Local Government and the Treasurer, provide a Statement of Payments at the end of the financial year (in the same way as is currently provided for the Financial Assistance Grants) to the Federal Minister.

The Commission therefore makes recommendations for the distribution of the Supplementary Local Road Funding in line with the Project Agreement.

The Commission recommends that the Supplementary Local Road Funding be distributed on the same basis as the Identified Local Road Grants, i.e. 85 percent to be allocated as Formulae Grants (using the relativities assessed for the Identified Local Road Grants) and 15 percent to be allocated to the Special Local Roads Program, as has been the case in previous years.

### **Roads to Recovery Program – See GC98C**

The Federal Government requires that the structure of the Roads to Recovery grants for South Australia replicate that of the Identified Local Road Grants, i.e., 85 percent Formulae Grants and 15 percent Special Local Road Grants. The formulae component of these grants is allocated by the Australian Government direct to councils, with the remaining 15 percent special local road grants component based on the recommendations of the Commission.

Under the current Roads to Recovery Program, \$2.5 billion will be provided over the period 2019-20 to 2023-24. This includes \$40 million per annum for South Australia and \$6.075 million to be distributed as part of the Special Local Roads Program for 2021-22.

**Special Local Roads Program – See GC98A, GC98B and GC98C**

For 2021-22, a total of \$15.807 million will be made available for the Special Local Roads Program. These funds are made up of 15 percent of the Identified Local Road Grants (\$6.732 million), 15 percent of the Supplementary Local Road Funding Program (\$3.0 million) and 15 percent of the Roads to Recovery program (\$6.075 million).

The Special Local Roads Program will provide funding for 26 strategic projects across the State for 2020-21.

**ATTACHMENT 2****National Principles**

There are six principles for general purpose grants and an additional principal for the identified local road grants.

They are:

- (i) **Horizontal Equalisation**  
General Purpose Grants will be allocated to local governing bodies, as far as practicable, on a full horizontal equalisation basis as defined by the *Commonwealth Local Government (Financial Assistance) Act, 1995*. This is a basis that ensures that each local governing body in the State/Territory is able to function by reasonable effort, at a standard not lower than the average standard of other local governing bodies in the State. It takes account of differences in the expenditure required by those local governing bodies in the performance of their function and in the capacity of those local governing bodies to raise revenue.
- (ii) **Effort Neutrality**  
An effort or policy neutral approach will be used in assessing expenditure requirements and revenue raising capacity of each local governing body. This means as far as practicable, policies of individual local governing bodies in terms of expenditure and revenue effort will not affect the grant determination.
- (iii) **Minimum Grant**  
The minimum general purpose grant allocation for a local governing body will be not less than the amount to which the local governing body would be entitled if thirty per cent of the total amount of equalisation component funds for the State/Territory were allocated on a per capita basis.
- (iv) **Other Grant Support**  
Other relevant grant support provided to local governing bodies to meet any of the expenditure needs assessed that should be taken into account using an inclusion approach.
- (v) **Aboriginal Peoples and Torres Strait Islanders**  
Financial assistance shall be allocated to councils in a way, which recognises the needs of Aboriginal and Torres Strait Islander people within their boundaries.
- (vi) **Council Amalgamation**  
Where two or more local governing bodies are amalgamated into a single body, the general purpose grant provided to the new body for each of the four years following amalgamation, should be the total of the amounts that would have been provided to the former bodies in each of those years if they had remained separate entities.
- (vii) **Identified Road Component**  
The identified road component of the financial assistance grants should be allocated to local governing bodies as far as practicable on the basis of the relative needs of each local governing body for roads expenditure and to preserve its road assets. In assessing roads needs relevant considerations include length, type and usage of roads in each local governing area.

# information paper

## SOUTH AUSTRALIAN

# L

## LOCAL

# G

## GOVERNMENT

# G

## GRANTS

# C

## COMMISSION



**Bruce Green**  
Chair

Joint nominee of the Local Government Association and Minister for Planning and Local Government



**Wendy Campana**  
Commissioner

Nominee of the Minister for Planning and Local Government



**Erika Vickery**  
Commissioner

Nominee of the Local Government Association

The South Australian Local Government Grants Commission is an independent statutory authority established under the *South Australian Local Government Grants Commission Act 1992*. The three members are appointed on a part-time basis by the Governor.

The South Australian Local Government Grants Commission makes recommendations to the Minister for Planning and Local Government for the distribution of untied Commonwealth Financial Assistance Grants (FA Grants).

Grants for local governing authorities in South Australia are distributed in accordance with National Principles set by the Commonwealth *Local Government (Financial Assistance) Act 1995*.

All funds allocated by the Australian Government are distributed to councils. All of the Commission's costs are met by the State Government.



Administrative Support is provided to the Commission by its Executive Officer, Peter Ilee (centre), Senior Project Officer, Alex Sgro (left) and Senior Administrative Officer, Helga Henning (right)

## GLOSSARY OF TERMS

**Horizontal Equalisation:** refers to the distribution of grants in a way which assists each local governing body to provide services (by reasonable effort) at a standard not lower than the average of other local governing bodies in the State.

**Revenue Component:** refers to the calculation of a council's capacity to raise revenue on a per capita basis, compared to the average council, taking into consideration capital values of properties within each council compared to the State average.

**SEIFA Index:** refers to the Socio-Economic Index's for Areas. This index is published by the Australian Bureau of Statistics and is used by the Commission to make adjustments to its revenue component assessment based on its resident's capacity to pay.

**Expenditure Component:** refers to the calculation of a councils expenditure needs on a per capita basis, compared to the average council, taking into account the reported expenditures of all councils across a standard range of services provided.

**Cost Driver or Unit of Measure:** refers to the main factor that influences the cost of providing a particular service to a community and is used by the Commission in its expenditure component assessments. For example, the cost driver for the assessment of aged care services is the proportion of a council's population which is over 65 years of age.

**Cost Relativity Index (CRI):** refers to an adjustment made to expenditure component assessments to account for the differences in providing services that are outside council's control. For example, an adjustment is made to the assessment of waste management services (via a CRI) to account for the differences in the length of the collection route required for each council (for general waste), i.e., how far councils have to travel to collect waste from its residents.

## LEGISLATIVE FRAMEWORK

The Commonwealth *Local Government (Financial Assistance) Act 1995* governs the way in which grants are distributed and sets out the six National Principles to be adhered to in the allocation process.

The Act provides for:

- a per capita distribution (to the States) for the general financial assistance funding;
- the continued separate identification of local road funding provided according to allocations set prior to 1991-1992;
- a National Report on the operation of the Act, specifically the achievement of horizontal equalisation, the methods used by each State or Territory Commission, the performance of councils including their efficiency, and the provision of services to Aboriginal and Torres Strait Islander communities; and
- a set of National Principles governing the distribution. The Principles, which provide for a distribution based on horizontal equalisation (subject to the minimum grant entitlement), are discussed on the following page



## NATIONAL PRINCIPLES FOR GRANT DISTRIBUTION

### Horizontal Equalisation

The general financial assistance funding (general purpose grant) is distributed using a needs based approach, called horizontal fiscal equalisation, which aims to compensate councils with below average revenue raising capacity and above average costs of service provision.

### Minimum Grant

The minimum grant entitlement is the amount that councils would be entitled to if 30 percent of the general financial assistance funding was distributed between councils on a per capita basis.

### Effort Neutrality

In assessing grant amounts for individual councils, the Commission takes no account of the policies and practices of those councils. Thus individual policy on rate setting, service provision and standards, and levels of debt and reserves have no impact on the amount that the Commission recommends be provided to each council.

### Other Grant Support

Other grant support provided to councils to meet expenditure needs is taken into account.

### Aboriginal and Torres Strait Islanders

Financial Assistance is allocated to councils in a way which recognises the needs of Aboriginal and Torres Strait Island people within their boundaries.

### Council Amalgamation

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

### The facts of the matter

Grants distributed should compensate Councils for differences in the costs of providing services and in differences in their revenue raising capacity.

Equalisation refers to the financial capacity of the council; it does not mean that the level of service must be equal.

Councils may choose to have higher or lower levels of service according to their own priorities.

The Commission aims to equalise their financial capacity to provide a similar level of service to their communities.

The Grants are untied and may be spent according to community priorities.

## THE COMMISSION'S METHODOLOGY

The methodology used to assess the amount of general purpose funding provided to each council in South Australia is intended to recommend allocations consistent with the National Principles.

The over-riding principle is one of horizontal equalisation (see glossary), which is constrained by the requirement for each local governing body to receive a minimum entitlement per head of population (the per capita minimum grant).

The Commission has a direct assessment approach to the calculations. This means it calculates a separate estimate of a component revenue grant and a component expenditure grant for each council. These are combined to determine each council's overall equalisation need. A standard formula is used as a basis for both the revenue and expenditure component grants.

Available funds are distributed in accordance with the relativities established through this process and adjustments are made as necessary to ensure the per capita minimum entitlement is met for each council.

For local governing bodies outside the incorporated areas, allocations are made on a per capita basis. The initial per capita allocation was determined by an independent consultancy. This methodology applies to the Outback Communities Authority and five Aboriginal communities.

### Revenue Component

The revenue component estimates a grant amount, which depends on whether the revenue raising capacity of the council per capita is greater or less than the state per capita. Revenue grants can be positive or negative. For example, councils with the capacity to raise revenue greater than that of a standard council, will receive a negative revenue grant assessment. In contrast, councils with lesser capacity to raise revenue would receive a positive grant assessment.

The Commission estimates each council's component revenue grant by applying the State average rate in the dollar to the difference between the council's improved capital values per capita (weighted by the council's SEIFA Index of Economic Resources) and those for the State as a whole, and multiplying this back by the council's population.

The State average rate in the dollar is the ratio of total rate revenue to total improved capital values of rateable property. The State average SEIFA Index (Economic Resources) is one.

The result shows how much less (or more) rate revenue a council would be able to raise than the average for the State as a whole if it applied the State average rate in the dollar to the capital values of its rateable properties. This calculation is repeated for each of five land use categories, namely residential, commercial, industrial, rural and other.





The SEIFA Index of Economic Resources is applied to the capital valuations for residential and rural property only.

To overcome fluctuations in the base data, valuations, rate revenue and population are averaged over three years.

Subsidies that most councils receive and are not dependent upon their own special effort, i.e. they are effort neutral, are treated by the “inclusion approach”. That is, subsidies such as those for library services and the identified local road grants are included in the revenue assessment.

### **Expenditure Component**

The calculation for the expenditure component is based on the assessment of specific functions typically undertaken by councils. It estimates a grant component, which depends on whether the standardised expenditure of the council per capita is greater or less than the state average per capita and takes account of relative cost advantages and disadvantages between councils.

Expenditure components can also be positive or negative. Councils whose standardised expenditure per capita is more than the state average per capita, in the cost of providing services or performing functions, will receive a positive assessment and vice versa.

The Commission assesses expenditure needs and a component expenditure grant for each of a range of functions and these are combined to give a total component expenditure grant for each council. The methodology compares each council per capita against the State per capita for each function.

Each function is identified by a main cost driver or unit of measure. This is divided into the total expenditure on the function for the State as a whole to determine the average or standard cost for the particular function.

### **Cost Relativity Index**

Cost Relativity Indices (CRIs) are a measure of a council's relative advantage or disadvantage as compared to other councils providing similar services or functions. They measure the degree to which a council's costs for each function might be expected to exceed (or be less) than the average or standard cost because of factors outside the council's control. The average council = 1.0 and consequently they are centred around 1.0. In the case of roads, CRIs measure relative costs of factors such as material haulage, soil type, rainfall and drainage.

CRIs are used as a multiplier in the expenditure calculation. To overcome fluctuations in the base data, inputs into the expenditure assessments (with the exception of the newly revised road lengths) are averaged over three years.

### **Expenditure Grant Functions**

The following services are currently assessed under the expenditure component:

Aged Care Services, Bridges, Community Support, Environment & Coastal Protection, Health Inspection, Jetties, Wharves, Marinas & Boat Ramps, Planning & Building Control, Public Order & Safety, Roads, Services to Families and Children, Sport, Recreation and Culture, Stormwater Drainage – Maintenance, Waste Management, Airports & Authorised Landing Areas, Non Resident Use of Council Facilities, Isolation, Proportion of Indigenous Population, Percentage of Unemployed People.

### **Aggregated Revenue and Expenditure Grants**

Component grants for all revenue categories and expenditure functions, calculated for each council using the method outlined above, are aggregated to give each council's total raw grant figure. Where the raw grant calculation per head of population is less than the per capita minimum entitlement as set out in the Act, \$20.89 for 2020-21, the grant is adjusted to bring it up to the per capita minimum entitlement. The balance of the allocated amount, less allocation to other local governing bodies outside the incorporated areas, is then apportioned to the remaining councils based on their calculated proportion of the raw grant.

Commission determined limits may then be applied to minimise the impact on council's budgetary processes.

### **Local Road Funding**

The formula component is divided between metropolitan and non-metropolitan councils on the basis of an equal weighting of road length and population.

In the metropolitan area, allocations to individual councils are determined again by an equal weighting of population and road length. In the non-metropolitan area, allocations are made on an equal weighting of population, road length and area of council.

### **Special Local Roads Program**

Distribution of the grants under the Special Local Roads Program is based on recommendations from the Local Government Transport Advisory Panel, who are responsible for assessing submissions from regional associations on local road projects of regional significance.

Funding is sourced at the rate of 15 percent from the Local Road Component of the Financial Assistance Grants, Roads to Recovery Funding and Supplementary Local Road Funding (see summary of grants on insert).

## METHODOLOGY REVIEW

The Commission is committed to regularly reviewing the methodology used to assess council's capacity to provide an average level of service to their communities.

Reviewing the methodology ensures that, in making recommendations to the State and Commonwealth Ministers for distribution of FA Grants, the Commission takes into account factors which affect councils' capacity to provide an average level of service, as they develop.

The Commission has undertaken major reviews of its methodology in 1997-98, 2002-03 and 2012-13. In the interim, the Commission reviews specific areas of its methodology based on its own work plan or from issues raised by Councils during visits or from submissions.

Recent methodology review work includes:

- 2016-17 - Completion of a review of the Other Needs Assessment of the General Purpose Grants. This review incorporated a more direct method of recognising expenditure need in relation to cultural and tourism, environment and coastal protection expenditure. It also reviewed the allowance for isolation, providing increased recognition for rural councils with higher costs of providing services.
- 2020-21 – New expenditure assessment for Airports and Airstrips and update to expenditure assessment for Jetties and Wharves. This review incorporated a new expenditure assessment for regional airports and airstrips into the methodology and expanded the current expenditure assessment for Jetties and Wharves to include Marinas and Boat Ramps.

The Commission values the opportunity to meet with councils and receive feedback during council visits and encourages councils to make submissions. This enables the Commission to continually improve the grant process.

Notwithstanding the above, changes to the distribution of grants between councils have occurred from changes to the underlying factors that are used in the current methodology, such as valuation data, population and increased or decreased expenditure on the standard range of services assessed by the Commission.

## COUNCIL VISITS

The Commission has a triennial visiting program in place and visits councils, remote outback communities and Aboriginal communities. The purpose of the visits is to provide information and an opportunity to discuss the grant allocation process.

The Commission has four main objectives in visiting councils, and they are:

- to explain how the Commission operates and why it exists;
- to enable the Commission to raise queries with councils about annual audited financial statements, general information returns and submissions;
- to provide a forum to discuss how grants are calculated and any areas which might not be adequately covered within current procedures; and
- if necessary, to inspect physical features or structures which may be relevant to the distribution of funds.



The Commission meeting with representatives of the District Council of Orroroo Carrieton as part of its visiting program in April 2019.



## FREQUENTLY ASKED QUESTIONS

### **How does the rate, which council applies, affect our grant?**

Council's capacity to raise revenue is assessed using property valuations, which are its taxation base for setting rates. The Commission uses capital valuations regardless of whether the council uses site, annual assessed or capital valuations. The Commission compares each council's valuation per capita against the State average valuation per capita in the category areas of residential, commercial, industrial, rural and other. The Commission then assumes council makes the average rating effort in each category and applies the average rate in the dollar. The individual rates that councils set are not considered, consistent with the effort neutrality principle that all calculations are independent of council policy and practices.

The Commission undertook research in 2003-04 into the way it assessed councils' capacity to raise revenue. It was decided to incorporate the SEIFA Index of Economic Resources into the revenue assessment by modifying the valuation assessment by the index, weighted by the State weighted average.

### **What is the SEIFA Index and how does it work?**

The SEIFA Index of economic resources reflects data relating to the income and expenditure of families, such as income and rent and home ownership; and is said to provide the best reflection of the disposable income of families. As a result the Commission believes that this is the best index to incorporate into the revenue assessments to reflect the capacity of the community to pay rates.

The Commission compares each council's valuation per capita, modified by the weighted SEIFA Index against the State average valuation per capita multiplied by the State average SEIFA index, in the category areas of residential and rural. The calculation then continues as above.

### **Does council's level of expenditure on a particular function affect our grant?**

Only in its ability to influence the standard cost for the State. The use of council's (net) expenditure in the calculations is limited to determining a state average, or standard cost for each selected function. The standard costs for these functions are then applied to all councils in calculating their grants. What an individual council may actually spend on a function has very little bearing on the standard cost or its grant.

### **How can council influence the grant outcome?**

The grants are independent of the policy or practices of council, and as a result council has no direct influence on the grant outcome. Councils can however, ensure that the Commission is kept informed of the circumstances of your council to ensure that the methodology meets the needs of both broader Local Government and the individual needs of councils.

### **We are an efficient Council: Are we disadvantaged because of that?**

No! In fact, there is a sense in which the ratepayers of efficient councils benefit from the Commission's approach. Because a council's grant is assessed independent of policy decisions by council, a council that provides a cost effective service still receives grant funding which it can allocate to other areas according to local priorities.

### **How does the number of non-rateable properties affect the calculations?**

Non rateable properties are excluded from the Commission's calculations. The calculations deal with relativities between councils, based on the theoretical revenue raising capacity of council's rateable properties.

### **How does the Commission recognise the non-resident use of our facilities?**

The Commission has a special function it calls Function 50 or the Other Needs Assessment, which includes a range of Commission determined assessments that are not easily measured.

For example, Function 50 recognises that councils have additional burdens placed on them through use of its services by non-residents. Those services might include waste management, libraries, recreation facilities and roads. The Commission assesses whether non-resident use is high, medium, low or no impact and factor this into the calculations.

### **B-doubles are significantly contributing to the wear and tear on our roads. How does the Commission take into account traffic volume?**

The Commission applies a cost relativity index to the road length calculations to determine council's individual road need. Currently the Commission takes into account soil, terrain, rainfall and material haulage.

Since 2003, the Commission has attempted to gather data from councils to reflect traffic volume; however councils have not been able to provide sufficient evidence to include this in the calculations.



## Is the formulae used for the grants calculations ever reviewed?

The Commission has an ongoing program of reviewing the methodology used in the assessment of councils' capacity to provide an average level of service to their communities.

The last major review of the methodology was undertaken in 2012-13. Smaller reviews are regularly undertaken to keep abreast of the changing environment of councils, including:

- reviewing all expenditure assessments and making changes to reflect recurrent expenditure in local government;
- the replacement of capital expenditure in the calculations with annual depreciation;
- reviewing the stormwater expenditure function;
- investigations into the effects of decreasing/increasing valuations within Local Government;
- reviewing the cost driver for the sport and recreation expenditure function;
- investigations into the impact of growth within Local Government;
- investigations into the reliability of libraries data; and
- investigations into expenditure need for airports and airstrips, boat ramps and marinas.

## Do councils have input into the review process?

In previous reviews, the Commission formed Reference Groups which consist of council representatives, the Local Government Association and other interested bodies to assist the Commission. The Commission also undertakes extensive modelling of any recommended changes prior to introducing them into the grant process.

## How should we keep the Commission informed of issues relevant to our council?

Each year the Commission requires councils to supply information in three formats so it can be used for the grant calculations process.

These are known as the General Information Return, General Information Return (Roads) and Supplementary Return. This is not only a method of collecting data about councils, but it also provides the opportunity for your council to highlight any issues it wishes to bring to the attention of the Commission.

The Returns are due annually by 30 November. Under legislation, councils are also required to provide a copy of their Annual Report by 31 December. The Commission is also happy to discuss any queries or issues with councils at any time.

## How do the brought forward payments work?

Over recent years, the Federal Government has allocated an early grant payment prior to 1 July of the year in which the allocation is due.

The amount of grant has varied from approximately one quarter to (approximately) half of the total grant for the year. The grant is based on the coming years initial grant estimates. Bring Forward payments include the general purpose grant and the identified local road grant.

It is important to note that brought forward payments, based on the initial estimates for the coming financial year, do not necessarily equate to exactly 50% of the coming year's grants. They are based on the approved recommendations from the previous year and the Commission's final recommendations for the coming year, which may include changes in grants due to changes in methodology or data or constraints placed on the pool by the Federal Government, will likely see the remainder of the coming year's funding not match the brought forward payment.

The remainder of the financial assistance grants are distributed as per the usual process of four quarterly instalments, and are paid in August and November and in February and May the following year.



## KEY DATES

Mid August	First quarterly instalment of grants paid
October/November	National Forum of Local Government Grants Commissions and/or Executive Officers Workshop
Mid November	Second quarterly instalment of grants paid
30 November	General Information Returns, Supplementary Return and Audited Financial Statements due
31 December	Annual Report due
Mid February	Third quarterly instalment of grants paid
Mid May	Fourth quarterly instalment of grants paid

### South Australian Local Government Grants Commission

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# SALGGC - Raw Calculations 2020-21 for Burnside

\*Population, expenditure, valuation data and units of measure (with the exception of road lengths) are averaged over 3 years.

## EXPENDITURE COMPONENT

Formula

$$G = P_c \times S \times \left[ \left( \frac{U_c}{P_c} \times CRI_c \right) - \left( \frac{U_s}{P_s} \times CRI_s \right) \right]$$

Diagram labels: Grant, Standard cost, Population, Cost relativity index (Council), Unit of measure per capita (Council), Unit of measure per capita (State), Cost relativity index (State).

State Population = 1,770,375  
Council Population = 46,127

Expenditure Function	Unit of Measure	State Statistics			Burnside				Raw Calculation 2020-21	Raw Calculation 2019-20	Incr / (Decr)
		Total Units of Measure	Unit of Measure per capita	Standard Cost (\$)	Unit of measure	Unit of measure per capita	State subsidy	Cost Relativity Index			
(7) Waste Management	No of residential, rural, commercial (shop) properties	837,866	0.4797	190.65	19,966	0.4352	-	0.98 →	-\$467,541	-\$353,162	-\$114,379
(8) Aged Care Services	Population aged more than 65	327,680	0.1876	129.45	10,182	0.2219	-	1 →	\$203,835	\$211,688	-\$7,853
(10) Services To Families And Children	Population aged 0 to 14	308,004	0.1763	74.58	7,879	0.1717	-	1 →	-\$15,800	-\$13,851	-\$1,949
(12) Health Inspection	Number of Establishments to Inspect	21,608	0.0124	580.37	367	0.0080	-	1 →	-\$116,609	-\$85,591	-\$31,018
(15) Libraries	Estimated Resident Population	1,764,268	1.0100	73.27	46,127	1.0053	-	1 →	-\$15,767	-\$22,133	\$6,366
(18) Sport, Recreation & Culture	Population aged 5 to 64	1,319,747	0.7555	328.24	33,696	0.7344	-	1 →	-\$318,301	-\$303,161	-\$15,139
(20a) Sealed Roads - Built Up	Kilometres of sealed built-up	10,985	0.0063	13,526.56	233	0.0051	-	1.14 →	-\$307,283	-\$309,970	\$2,687
(20b) Sealed Roads - Non Built Up	Kilometres of sealed non-built-up	8,041	0.0046	13,526.56	0	0.0000	-	0.96 →	-\$2,857,168	-\$2,779,308	-\$77,860
(20c) Sealed Roads - Built Up - Footpaths Etc	Kilometres of sealed built-up	10,985	0.0063	19,237.00	233	0.0051	-	1.00 →	-\$1,062,451	-\$1,046,680	-\$15,771
(21a) Unsealed Roads - Built Up	Kilometres of formed and surfaced, and natural surface formed built-up road	644	0.0004	2,070.86	0	0.0000	-	0.99 →	-\$35,022	-\$34,853	-\$169
(21b) Unsealed Roads - Non Built Up	Kilometres of formed and surfaced, and natural surface formed non-built-up road	46,347	0.0265	2,070.86	5	0.0001	-	0.93 →	-\$2,510,849	-\$2,423,671	-\$87,178
(22) Roads - Unformed	Kilometres of natural surfaced unformed road	8,862	0.0051	380.99	0	0.0000	-	0.90 →	-\$88,633	-\$97,445	\$8,812
(33) Stormwater Drainage - Maintenance	No of residential, industrial and commercial properties including exempt	811,517	0.4646	95.81	20,616	0.4493	-	0.95 →	-\$156,103	-\$159,415	\$3,312
(35) Community Support	3yr Avg Population * SEIFA Advantage Disadvantage CRI	1,746,792	1.0000	55.43	41,153	0.8969	-	1 →	-\$262,226	-\$258,190	-\$4,036
(38) Jetties, Wharves, Marinas & Boat Ramps	Number of Jetties, Wharves, Marinas & Boat Ramps	256	0.0001	13,787.65	0	0.0000	-	1 →	-\$92,713	-\$69,020	-\$23,693
(40) Public Order and Safety	Total no of properties	961,319	0.5503	29.34	21,341	0.4651	-	1 →	-\$114,702	-\$116,355	\$1,654
(41) Planning And Building Control	No of new developments and additions	41,331	0.0237	2,366.18	1,165	0.0254	-	1 →	\$187,000	\$378,486	-\$191,487
(42) Bridges	Number of Bridges	715	0.0004	12,107.84	1	0.0000	-	1 →	-\$215,289	-\$201,097	-\$14,192
(43) Environment & Coastal Protection	Estimated Resident Population	1,764,268	1.0100	21.06	46,127	1.0053	-	1 →	-\$4,532	-\$6,468	\$1,936
(44) Airports & Authorised Landing Areas	Number of Airports & Authorised Landing Areas	63	0.0000	71,087.10	0	0.0000	-	1 →	-\$117,637	-\$99,663	-\$17,973
(50) Function 50 - Other Special needs	Commission determined								-\$627,972	-\$861,616	\$233,644
Total Raw Expenditure Assessment →									-\$8,995,765	-\$8,551,813	-\$443,951

## REVENUE COMPONENT

Formula

$$G = P_c \times S \times \left[ \left( \frac{U_s}{P_s} \times RRI_s \right) - \left( \frac{U_c}{P_c} \times RRI_c \right) \right]$$

Diagram labels: Grant, Standard cost, Population, Valuation per capita (State), Valuation per capita (Council).

Revenue Functions	Unit of Measure	State Statistic		Burnside			Raw Calculation 2020-21	Raw Calculation 2019-20	Incr / (Decr)
		Rate in the dollar	Valuation per capita	Valuation	Valuation per capita				
Rates - residential	Valuation of residential	0.0037	174,564	17,238,429,459	375,704	→	-\$33,873,743	-\$32,815,159	-\$1,058,584
Rates - commercial	Valuation of commercial	0.0065	23,171	1,105,368,991	24,091	→	-\$275,968	-\$489,491	\$213,523
Rates - industrial	Valuation of industrial	0.0078	3,607	11,403,895	249	→	\$1,198,744	\$1,182,482	\$16,262
Rates - rural	Valuation of rural	0.0034	24,790	9,691,070	211	→	\$3,832,715	\$3,696,704	\$136,011
Rates - other	Valuation of other	0.0043	7,147	428,484,482	9,339	→	-\$427,943	-\$372,517	-\$55,426
Total Raw Revenue Assessment →							-\$29,546,195	-\$28,797,981	-\$748,214

## SUBSIDIES COMPONENT

Subsidies Function	Unit of Measure	State Statistic			Burnside				Raw Calculation 2020-21	Raw Calculation 2019-20	Incr / (Decr)
		Total Units of Measure	Unit of Measure per capita	Standard Revenue	Unit of measure	Unit of measure per capita	Cost Relativity Index				
Subsidies (Library Subsidy + Roads+ State and Western Mining Funding for Roxby)	Total subsidies	54,386,160	31.1350	1	1,168,370	25.4641	1 →		\$260,196	\$267,108	-\$6,912
Total Raw Subsidy Assessment →									\$260,196	\$267,108	-\$6,912

## TOTAL RAW CALCULATION

	2020-21	2019-20
Raw Calculation = Expenditure + Revenue + Subsidies		
= Expenditure	-\$8,995,765	=\$8,551,813
+ Revenue	-\$29,546,195	+\$28,797,981
+ Subsidies	\$260,196	+\$267,108
Council Raw Calculation =	-\$38,281,764	=\$37,082,686

Raw \$ Change	% Change
-\$443,951	-5.19%
-\$748,214	-2.60%
-\$6,912	-2.59%
-\$1,199,078	-3.23%

(ABS) Absolute method

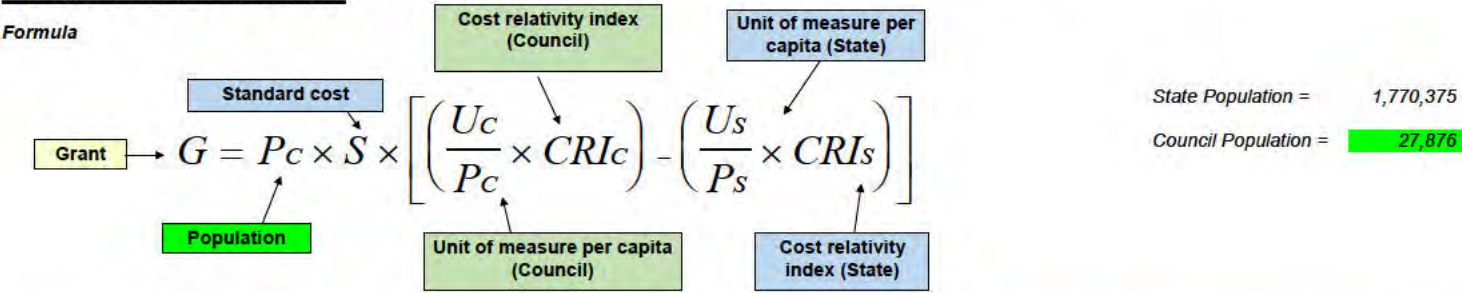


SALGGC - Raw Calculations 2020-21 for Alexandrina

\*Population, expenditure, valuation data and units of measure (with the exception of road lengths) are averaged over 3 years.

EXPENDITURE COMPONENT

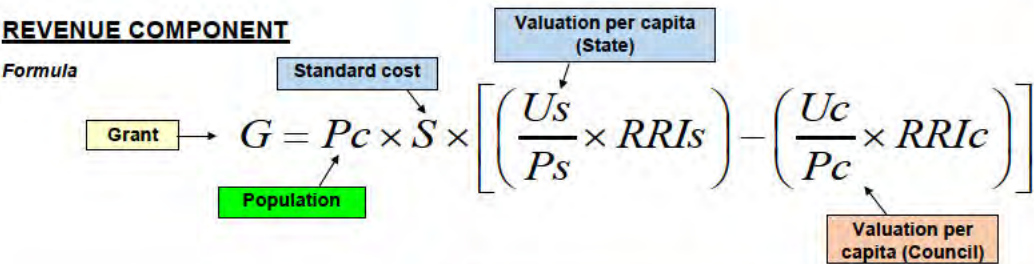
Formula



Expenditure Function	Unit of Measure	State Statistics			Alexandrina						
		Total Units of Measure	Unit of Measure per capita	Standard Cost (\$)	Unit of measure	Unit of measure per capita	State subsidy	Cost Relativity Index	Raw Calculation	Raw Calculation	Incr / (Decr)
									2020-21	2019-20	
(7) Waste Management	No of residential, rural, commercial (shop) properties	837,866	0.4797	190.65	16,813	0.6126	-	1.00	\$686,643	\$510,847	\$175,796
(8) Aged Care Services	Population aged more than 65	327,680	0.1876	129.45	8,314	0.3029	-	1.00	\$409,729	\$418,677	-\$8,947
(10) Services To Families And Children	Population aged 0 to 14	308,004	0.1763	74.58	4,149	0.1512	-	1.00	-\$51,503	-\$45,681	-\$5,822
(12) Health Inspection	Number of Establishments to Inspect	21,608	0.0124	580.37	413	0.0150	-	1.00	\$42,643	\$40,774	\$1,869
(15) Libraries	Estimated Resident Population	1,764,268	1.0100	73.27	27,876	1.0156	-	1.00	\$11,332	\$8,492	\$2,840
(18) Sport, Recreation & Culture	Population aged 5 to 64	1,319,747	0.7555	328.24	17,999	0.6558	-	1.00	-\$898,679	-\$807,690	-\$90,989
(20a) Sealed Roads - Built Up	Kilometres of sealed built-up	10,985	0.0063	13,526.56	258	0.0094	-	0.91	\$852,941	\$839,239	\$13,702
(20b) Sealed Roads - Non Built Up	Kilometres of sealed non-built-up	8,041	0.0046	13,526.56	304	0.0111	-	0.98	\$2,325,162	\$2,258,639	\$66,523
(20c) Sealed Roads - Built Up - Footpaths Etc	Kilometres of sealed built-up	10,985	0.0063	19,237.00	258	0.0094	-	1.00	\$1,640,997	\$1,607,371	\$33,626
(21a) Unsealed Roads - Built Up	Kilometres of formed and surfaced, and natural surface formed built-up road	644	0.0004	2,070.86	19	0.0007	-	1.01	\$20,003	\$18,673	\$1,330
(21b) Unsealed Roads - Non Built Up	Kilometres of formed and surfaced, and natural surface formed non-built-up road	46,347	0.0265	2,070.86	766	0.0279	-	1.03	\$118,328	\$132,101	-\$13,774
(22) Roads - Unformed	Kilometres of natural surfaced unformed road	8,862	0.0051	380.99	39	0.0014	-	1.04	-\$37,518	-\$46,119	\$8,602
(33) Stormwater Drainage - Maintenance	No of residential, industrial and commercial properties including exempt	811,517	0.4646	95.81	14,202	0.5174	-	0.91	\$11,415	\$11,841	-\$426
(35) Community Support	3yr Avg Population * SEIFA Advantage Disadvantage CRI	1,746,792	1.0000	55.43	27,278	0.9938	-	1.00	-\$9,366	-\$9,130	-\$236
(38) Jetties, Wharves, Marinas & Boat Ramps	Number of Jetties, Wharves, Marinas & Boat Ramps	256	0.0001	13,787.65	20	0.0007	-	1.00	\$220,293	\$147,318	\$72,975
(40) Public Order and Safety	Total no of properties	961,319	0.5503	29.34	19,728	0.7188	-	1.00	\$135,631	\$137,059	-\$1,428
(41) Planning And Building Control	No of new developments and additions	41,331	0.0237	2,366.18	1,344	0.0490	-	1.00	\$1,642,722	\$959,679	\$683,042
(42) Bridges	Number of Bridges	715	0.0004	12,107.84	41	0.0015	-	1.00	\$360,395	\$311,600	\$48,795
(43) Environment & Coastal Protection	Estimated Resident Population	1,764,268	1.0100	21.06	27,876	1.0156	-	1.00	\$3,257	\$2,482	\$776
(44) Airports & Authorised Landing Areas	Number of Airports & Authorised Landing Areas	63	0.0000	71,087.10	0	0.0000	-	1.00	-\$70,369	-\$59,008	-\$11,361
(50) Function 50 - Other Special needs	Commission determined								\$121,625	\$230,929	-\$109,304
Total Raw Expenditure Assessment									\$7,535,680	\$6,727,102	\$808,578

REVENUE COMPONENT

Formula



		State Statistic		Alexandrina					
Revenue Functions	Unit of Measure	Rate in the dollar	Valuation per capita	Valuation	Valuation per capita		Raw Calculation	Raw Calculation	Incr / (Decr)
							2020-21	2019-20	
Rates - residential	Valuation of residential	0.0037	174,564	5,315,758,742	193,676	➡	-\$1,925,294	-\$1,781,767	-\$143,526
Rates - commercial	Valuation of commercial	0.0065	23,171	216,648,664	7,893	➡	\$2,741,153	\$2,628,597	\$112,556
Rates - industrial	Valuation of industrial	0.0078	3,607	48,498,186	1,767	➡	\$392,842	\$385,803	\$7,039
Rates - rural	Valuation of rural	0.0034	24,790	1,748,892,818	63,720	➡	-\$3,631,253	-\$3,645,543	\$14,290
Rates - other	Valuation of other	0.0043	7,147	306,510,181	11,167	➡	-\$469,564	-\$507,990	\$38,426
				Total Raw Revenue Assessment		➡	-\$2,892,116	-\$2,920,901	\$28,785

SUBSIDIES COMPONENT

		State Statistic			Alexandrina					
Subsidies Function	Unit of Measure	Total Units of Measure	Unit of Measure per capita	Standard Revenue	Unit of measure	Unit of measure per capita	Cost Relativity Index	Raw Calculation	Raw Calculation	Incr / (Decr)
								2020-21	2019-20	
Subsidies (Library Subsidy +Roads+ State and Western Mining Funding for Roxby)	Total subsidies	54,386,160	31.1350	1	843,526	30.7333	1 ➡	\$11,025	\$20,890	-\$9,865
					Total Raw Subsidy Assessment ➡			\$11,025	\$20,890	-\$9,865

TOTAL RAW CALCULATION

2020-21		2019-20	
Raw Calculation = Expenditure + Revenue + Subsidies			
= Expenditure	\$7,535,680	=	\$6,727,102
+ Revenue	-\$2,892,116	+	-\$2,920,901
+ Subsidies	\$11,025	+	\$20,890
Council Raw Calculation =	\$4,654,589	=	\$3,827,091

Raw \$ Change	% Change
\$808,578	12.02%
\$28,785	0.99%
-\$9,865	-47.22%
\$827,498	21.62%

(ABS) Absolute method

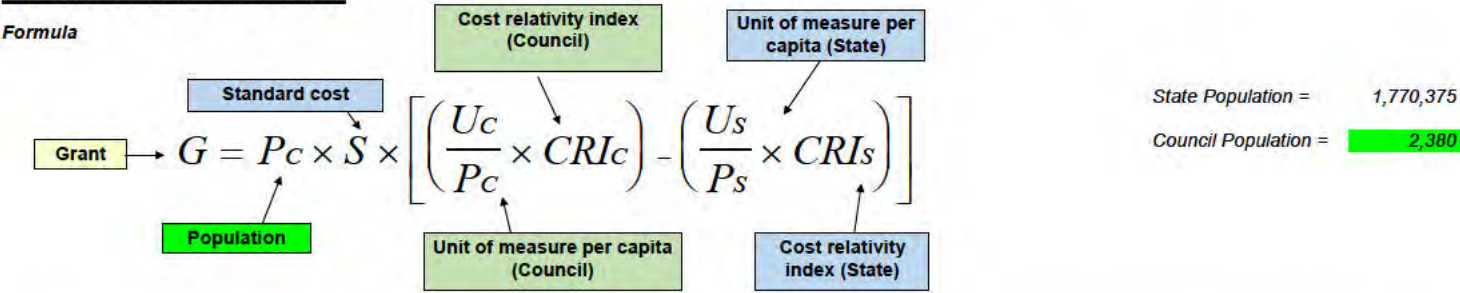


SALGGC - Raw Calculations 2020-21 for Kingston

\*Population, expenditure, valuation data and units of measure (with the exception of road lengths) are averaged over 3 years.

EXPENDITURE COMPONENT

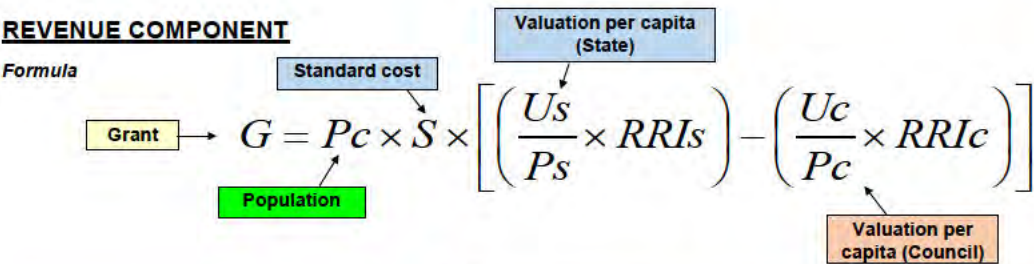
Formula



Expenditure Function	Unit of Measure	State Statistics			Kingston						
		Total Units of Measure	Unit of Measure per capita	Standard Cost (\$)	Unit of measure	Unit of measure per capita	State subsidy	Cost Relativity Index	Raw Calculation	Raw Calculation	Incr / (Decr)
									2020-21	2019-20	
(7) Waste Management	No of residential, rural, commercial (shop) properties	837,866	0.4797	190.65	2,067	0.8702	-	0.99 ➡	\$174,537	\$127,208	\$47,329
(8) Aged Care Services	Population aged more than 65	327,680	0.1876	129.45	696	0.2931	-	1 ➡	\$32,445	\$33,924	-\$1,479
(10) Services To Families And Children	Population aged 0 to 14	308,004	0.1763	74.58	390	0.1641	-	1 ➡	-\$2,172	-\$3,291	\$1,119
(12) Health Inspection	Number of Establishments to Inspect	21,608	0.0124	580.37	34	0.0145	-	1 ➡	\$2,875	\$2,395	\$480
(15) Libraries	Estimated Resident Population	1,764,268	1.0100	73.27	2,380	1.0021	-	1 ➡	-\$1,375	-\$3,178	\$1,803
(18) Sport, Recreation & Culture	Population aged 5 to 64	1,319,747	0.7555	328.24	1,551	0.6529	-	1 ➡	-\$80,016	-\$72,102	-\$7,914
(20a) Sealed Roads - Built Up	Kilometres of sealed built-up	10,985	0.0063	13,526.56	39	0.0165	-	1.03 ➡	\$344,063	\$480,015	-\$135,952
(20b) Sealed Roads - Non Built Up	Kilometres of sealed non-built-up	8,041	0.0046	13,526.56	89	0.0374	-	1.03 ➡	\$1,089,200	\$950,656	\$138,545
(20c) Sealed Roads - Built Up - Footpaths Etc	Kilometres of sealed built-up	10,985	0.0063	19,237.00	39	0.0165	-	1.00 ➡	\$465,815	\$652,525	-\$186,710
(21a) Unsealed Roads - Built Up	Kilometres of formed and surfaced, and natural surface formed built-up road	644	0.0004	2,070.86	4	0.0018	-	1.00 ➡	\$7,261	\$14,525	-\$7,265
(21b) Unsealed Roads - Non Built Up	Kilometres of formed and surfaced, and natural surface formed non-built-up road	46,347	0.0265	2,070.86	585	0.2465	-	0.96 ➡	\$1,038,941	\$941,950	\$96,991
(22) Roads - Unformed	Kilometres of natural surfaced unformed road	8,862	0.0051	380.99	51	0.0217	-	1.06 ➡	\$16,226	\$4,368	\$11,858
(33) Stormwater Drainage - Maintenance	No of residential, industrial and commercial properties including exempt	811,517	0.4646	95.81	1,481	0.6237	-	0.95 ➡	\$28,436	\$26,641	\$1,795
(35) Community Support	3yr Avg Population * SEIFA Advantage Disadvantage CRI	1,746,792	1.0000	55.43	2,392	1.0071	-	1 ➡	\$936	\$932	\$4
(38) Jetties, Wharves, Marinas & Boat Ramps	Number of Jetties, Wharves, Marinas & Boat Ramps	256	0.0001	13,787.65	3	0.0013	-	1 ➡	\$36,564	\$18,525	\$18,039
(40) Public Order and Safety	Total no of properties	961,319	0.5503	29.34	2,914	1.2268	-	1 ➡	\$47,134	\$46,440	\$695
(41) Planning And Building Control	No of new developments and additions	41,331	0.0237	2,366.18	67	0.0284	-	1 ➡	\$26,356	\$375	\$25,980
(42) Bridges	Number of Bridges	715	0.0004	12,107.84	0	0.0000	-	1 ➡	-\$11,771	-\$11,133	-\$637
(43) Environment & Coastal Protection	Estimated Resident Population	1,764,268	1.0100	21.06	2,380	1.0021	-	1 ➡	-\$395	-\$929	\$533
(44) Airports & Authorised Landing Areas	Number of Airports & Authorised Landing Areas	63	0.0000	71,087.10	3	0.0013	-	1 ➡	\$207,172	\$186,592	\$20,580
(50) Function 50 - Other Special needs	Commission determined								\$144,289	\$307,678	-\$163,389
Total Raw Expenditure Assessment ➡									\$3,566,523	\$3,517,525	\$48,998

REVENUE COMPONENT

Formula



		State Statistic		Kingston					
Revenue Functions	Unit of Measure	Rate in the dollar	Valuation per capita	Valuation	Valuation per capita		Raw Calculation	Raw Calculation	Incr / (Decr)
							2020-21	2019-20	
Rates - residential	Valuation of residential	0.0037	174,564	377,535,097	158,962	➡	\$136,009	\$154,141	-\$18,132
Rates - commercial	Valuation of commercial	0.0065	23,171	27,139,122	11,427	➡	\$182,335	\$181,617	\$718
Rates - industrial	Valuation of industrial	0.0078	3,607	3,299,194	1,389	➡	\$40,975	\$41,101	-\$126
Rates - rural	Valuation of rural	0.0034	24,790	916,444,061	385,871	➡	-\$2,914,455	-\$2,699,416	-\$215,039
Rates - other	Valuation of other	0.0043	7,147	52,600,564	22,148	➡	-\$151,588	-\$149,561	-\$2,027
				Total Raw Revenue Assessment ➡			-\$2,706,725	-\$2,472,120	-\$234,605

SUBSIDIES COMPONENT

		State Statistic			Kingston					
Subsidies Function	Unit of Measure	Total Units of Measure	Unit of Measure per capita	Standard Revenue	Unit of measure	Unit of measure per capita	Cost Relativity Index	Raw Calculation	Raw Calculation	Incr / (Decr)
								2020-21	2019-20	
Subsidies (Library Subsidy +Roads+ State and Western Mining Funding for Roxby)	Total subsidies	54,386,160	31.1350	1	311,137	131.0051	1 ➡	-\$237,192	-\$213,450	-\$23,742
					Total Raw Subsidy Assessment ➡			-\$237,192	-\$213,450	-\$23,742

TOTAL RAW CALCULATION

2020-21		2019-20		Raw \$ Change	% Change
➡ Raw Calculation = Expenditure + Revenue + Subsidies				(ABS) Absolute method	
= Expenditure	\$3,566,523	=	\$3,517,525	\$48,998	1.39%
+ Revenue	-\$2,706,725	+	-\$2,472,120	-\$234,605	-9.49%
+ Subsidies	-\$237,192	+	-\$213,450	-\$23,742	-11.12%
Council Raw Calculation =	\$622,607	=	\$831,956	-\$209,349	-25.16%





**Government  
of South Australia**

TRS19D1367

**Treasurer**

Level 8  
State Administration Centre  
200 Victoria Square  
Adelaide SA 5000  
GPO Box 2264  
Adelaide SA 5001  
DX 56203 Victoria Square  
Tel 08 8226 1866  
treasurer.dtf@sa.gov.au

Mr Rory McEwen

  
Dear Mr McEwen


Thank you for your email dated 11 December 2020, regarding a meeting you attended with senior Treasury officials to discuss issues you have raised about the methodology used by the Local Government Grants Commission (LGGC) to distribute Financial Assistance Grants.

The Treasury officials appreciated discussing these matters with you and gained a better understanding your concerns.

The Department of Treasury and Finance (DTF) advise that another major review of the methodology used by the LGGC is not warranted at this stage. DTF will encourage LGGC officers to present their next update to DTF officials. This will allow DTF to obtain a more practical understanding of the results that the current process is delivering and how that information is presented to the LGGC.

Thank you for raising your concerns.

Yours sincerely

  
**Hon Rob Lucas MLC**  
Treasurer

25 December 2020

**Stocker, Inthira (DTF)**

---

**From:** Raymond, Greg (DTF)  
**Sent:** Thursday, 10 September 2020 10:06 AM  
**To:** Lardner, Helen (DTF)  
**Subject:** RE: TRS19D1367 - To action

Hi Helen

Yes can we please ask for an extension. Longer would be better given all the Budget related work but I will take whatever we can get.

Thanks,

Greg Raymond  
 8429 3193

---

**From:** Lardner, Helen (DTF) <Helen.Lardner@sa.gov.au>  
**Sent:** Thursday, 10 September 2020 9:24 AM  
**To:** Raymond, Greg (DTF) <Greg.Raymond@sa.gov.au>  
**Cc:** Hocking, Stuart (DTF) <Stuart.Hocking@sa.gov.au>  
**Subject:** FW: TRS19D1367 - To action

Hi Greg

The TO would still like a briefing for this one please (re Rory McEwen).

When do you think this one could be ready – shall I ask for an extension to 17/9/20?

Thanks.

Kind regards

Helen

---

**From:** DTF:Treasurer  
**Sent:** Thursday, 10 September 2020 9:10 AM  
**To:** Lardner, Helen (DTF) <[Helen.Lardner@sa.gov.au](mailto:Helen.Lardner@sa.gov.au)>  
**Subject:** RE: TRS19D1367 - To action

Good morning Helen

Gino has indicated that he would like short briefing to advise the Treasurer about the meeting and the current status of the matter.

Thank you!  
 Naveena

---

**From:** Lardner, Helen (DTF)  
**Sent:** Wednesday, 9 September 2020 1:06 PM

**To:** DTF:Treasurer <[treasurer.dtf@sa.gov.au](mailto:treasurer.dtf@sa.gov.au)>

**Subject:** RE: TRS19D1367 - To action

Hi there

Regarding this action item, Stuart Hocking has advised that a verbal briefing has been provided to Gino and Sue.

Could you please advise if anything further is required for this one or can it be closed?

Thanks.

Kind regards

Helen

---

**From:** Lardner, Helen (DTF)

**Sent:** Wednesday, 19 August 2020 3:04 PM

**To:** DTF:Treasurer <[treasurer.dtf@sa.gov.au](mailto:treasurer.dtf@sa.gov.au)>

**Subject:** RE: TRS19D1367 - To action

Great, thanks Toni.

---

**From:** DTF:Treasurer

**Sent:** Wednesday, 19 August 2020 2:02 PM

**To:** Lardner, Helen (DTF) <[Helen.Lardner@sa.gov.au](mailto:Helen.Lardner@sa.gov.au)>

**Subject:** RE: TRS19D1367 - To action

Good afternoon Helen

An extension until 9 September has been granted.

Thanks

Toni

---

**From:** Lardner, Helen (DTF)

**Sent:** Wednesday, 19 August 2020 11:45 AM

**To:** DTF:Treasurer <[treasurer.dtf@sa.gov.au](mailto:treasurer.dtf@sa.gov.au)>

**Subject:** RE: TRS19D1367 - To action

Hi there

While the meeting has occurred, we are asking for an extension to 9 September please (as there is a bit of checking to be done first).

Thanks.

Kind regards

Helen

---

**From:** Lardner, Helen (DTF)

**Sent:** Thursday, 6 August 2020 12:52 PM

**To:** DTF:Treasurer <[treasurer.dtf@sa.gov.au](mailto:treasurer.dtf@sa.gov.au)>

**Subject:** RE: TRS19D1367 - To action

Hi there

Just to advise that Stuart Hocking and Greg Raymond will be meeting with Rory McEwen on 19/8/20. A briefing will be provided after that time.

Thanks.

Kind regards

Helen

---

**From:** DTF:Treasurer  
**Sent:** Monday, 13 July 2020 3:26 PM  
**To:** Lardner, Helen (DTF) <[Helen.Lardner@sa.gov.au](mailto:Helen.Lardner@sa.gov.au)>  
**Subject:** TRS19D1367 - To action

Good afternoon

Please action TRS19D1367 as per attached ministerial request and return to our office by 13 August 2020.

**IMPORTANT:** Due to the Government's commitment to provide responses within 30 days, if you do not anticipate being able to meet the due date stated on the attached Ministerial Request, please contact this office via [treasurer.dtf@sa.gov.au](mailto:treasurer.dtf@sa.gov.au) providing a status update, a reason for the delay and advise of the date when the file is expected to be provided to our Office.

This request will be considered by a Ministerial Liaison Officer and an extension may be granted.

Kind Regards

**Toni Fletcher**

Senior Correspondence Officer to the  
Hon Rob Lucas MLC  
Treasurer

Phone: 8204 1497  
Department of Treasury & Finance  
Level 8, 200 Victoria Square | ADELAIDE SA 5000



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**Stocker, Inthira (DTF)**

---

**From:** Raymond, Greg (DTF)  
**Sent:** Thursday, 4 February 2021 3:19 PM  
**To:** Hocking, Stuart (DTF)  
**Subject:** RE: TRS19D1367 - Final

I will touch base with the Office of Local Govt and try and arrange something.

It looks like the LGGC have now started releasing a lot more detail as well. I just looked at their website and it includes a range of information going back many years on raw grants per council and the 'caps and collars' that they have used.

[https://www.dpti.sa.gov.au/local\\_govt/LGGC](https://www.dpti.sa.gov.au/local_govt/LGGC)

Greg Raymond  
 8429 3193

---

**From:** Hocking, Stuart (DTF) <Stuart.Hocking@sa.gov.au>  
**Sent:** Thursday, 4 February 2021 2:42 PM  
**To:** Raymond, Greg (DTF) <Greg.Raymond@sa.gov.au>  
**Subject:** FW: TRS19D1367 - Final

Hi Greg – at some stage I assume we will need to arrange a time to get briefed on the next local govt grants commission update?

---

**From:** Lardner, Helen (DTF) <[Helen.Lardner@sa.gov.au](mailto:Helen.Lardner@sa.gov.au)>  
**Sent:** Tuesday, 20 October 2020 4:24 PM  
**To:** Hocking, Stuart (DTF) <[Stuart.Hocking@sa.gov.au](mailto:Stuart.Hocking@sa.gov.au)>; Raymond, Greg (DTF) <[Greg.Raymond@sa.gov.au](mailto:Greg.Raymond@sa.gov.au)>  
**Subject:** FW: TRS19D1367 - Final

Hi – fyi

---

**From:** DTF:Treasurer  
**Sent:** Tuesday, 20 October 2020 4:21 PM  
**To:** Lardner, Helen (DTF) <[Helen.Lardner@sa.gov.au](mailto:Helen.Lardner@sa.gov.au)>  
**Subject:** TRS19D1367 - Final

Good afternoon

Please find attached TRS19D1367 signed minute from the Treasurer.

Kind regards,

**Naveena Tanuku**  
 Correspondence Officer to the  
 Hon Rob Lucas MLC  
 Treasurer

Ph: 822 61890  
 Reception: 822 61866  
 Department of Treasury & Finance  
 Level 8, 200 Victoria Square | ADELAIDE SA 5000

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**Government of South Australia**

Department of Treasury  
and Finance

**Stocker, Inthira (DTF)**

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**From:** Lardner, Helen (DTF)  
**Sent:** Monday, 14 December 2020 4:31 PM  
**To:** Collins, Mark (DTF)  
**Cc:** Raymond, Greg (DTF); Hocking, Stuart (DTF); DTF:BAP Admin; DTF:Treasurer  
**Subject:** FW: TRS19D1367 - To action  
**Attachments:** TRS19D1367 - To action.pdf

Hi Mark

Could you please action this request. To be forwarded to Stuart for review etc.

If you are unable to have this completed before the due date, please liaise with the Treasurer's office to seek an extension.

Thank you.

Kind regards

Helen

**Helen Lardner**

Principal Executive Assistant to the Chief Executive, Deputy Chief Executive and A/Executive Director, Organisation and Governance  
 Office of the Chief Executive

State Administration Centre, Level 8, 200 Victoria Square ADELAIDE SA 5000

**t** 822 64217 | **e** helen.lardner@sa.gov.au | **w** treasury.sa.gov.au



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**From:** DTF:Treasurer <treasurer.dtf@sa.gov.au>  
**Sent:** Monday, 14 December 2020 11:45 AM  
**To:** Lardner, Helen (DTF) <Helen.Lardner@sa.gov.au>  
**Cc:** Hocking, Stuart (DTF) <Stuart.Hocking@sa.gov.au>  
**Subject:** TRS19D1367 - To action

Good morning

Please action TRS19D1367 as per attached ministerial request and return to our office by 29 December 2020.

**IMPORTANT:** Due to the Government's commitment to provide responses within 30 days, if you do not anticipate being able to meet the due date stated on the attached Ministerial Request, please contact this office via

[treasurer.dtf@sa.gov.au](mailto:treasurer.dtf@sa.gov.au) providing a status update, a reason for the delay and advise of the date when the file is expected to be provided to our Office.

This request will be considered by a Ministerial Liaison Officer and an extension may be granted.

Kind regards,

**Naveena Tanuku**

Correspondence Officer to the

Hon Rob Lucas MLC

Treasurer

Ph: 822 61890

Reception: 822 61866

Department of Treasury & Finance

Level 8, 200 Victoria Square | ADELAIDE SA 5000

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Partial  
Release

**Stocker, Inthira (DTF)**

---

**From:** Raymond, Greg (DTF)  
**Sent:** Wednesday, 10 March 2021 8:49 AM  
**To:** Collins, Mark (DTF)  
**Subject:** FW: SA Local Government Grants Commission - Distribution Methodology

FYI

Greg Raymond  
 8429 3193

---

**From:** Hocking, Stuart (DTF) <Stuart.Hocking@sa.gov.au>  
**Sent:** Wednesday, 10 March 2021 8:33 AM  
**To:** Ilee, Peter (DIT) <Peter.Ilee@sa.gov.au>  
**Cc:** Raymond, Greg (DTF) <Greg.Raymond@sa.gov.au>  
**Subject:** Re: SA Local Government Grants Commission - Distribution Methodology

Great thanks Peter - leave it with you to organise a time that suits

Cheers

Sent from my iPhone

On 10 Mar 2021, at 8:15 am, Ilee, Peter (DIT) <[Peter.Ilee@sa.gov.au](mailto:Peter.Ilee@sa.gov.au)> wrote:

Hello Stuart (and Greg),

Happy with that approach. I'd be interested in any feedback that you have. We don't get much interest in the methodology outside of my interstate colleagues.

Assuming that the Federal Budget is returning to its normal timeslot (I have a meeting with my commonwealth colleagues and state counterparts today in fact, so will get an update), we usually have our first run of numbers for next year's grants in late May, so I might get back in touch at that point to organise a catch up. This will be before the Commission makes its final recommendations, which will be in early July.

Cheers  
 Peter

---

**From:** Hocking, Stuart (DTF)  
**Sent:** Tuesday, 9 March 2021 6:53 PM  
**To:** Ilee, Peter (DIT) <[Peter.Ilee@sa.gov.au](mailto:Peter.Ilee@sa.gov.au)>  
**Cc:** Raymond, Greg (DTF) <[Greg.Raymond@sa.gov.au](mailto:Greg.Raymond@sa.gov.au)>  
**Subject:** Re: SA Local Government Grants Commission - Distribution Methodology

Hi Peter

As you indicate this request came out of our meeting with Rory McEwen. While we weren't able to verify the concerns he raised we did think that it would be valuable for DTF to get a greater insight into the process. Rather than meeting with the Commission our thinking was that we would get you to present to us the annual update results before the Commission signs off on them - what's



changed, why etc - so we can get an applied understanding of how the formula generates outcomes in practice. I hope this makes sense.

Regards

Stuart Hocking

Deputy Chief Executive, Department of Treasury and Finance SA

On 9 Mar 2021, at 5:23 pm, Ilee, Peter (DIT) <[Peter.ilee@sa.gov.au](mailto:Peter.ilee@sa.gov.au)> wrote:

Hello Stuart,

My name is Peter ILEE and I'm the SA Local Government Grants Commission's Executive Officer. We may have had some contact in the past during my days in Treasury – I worked for RevenueSA for about 12 years going back to the 90's

My Director, Alex Hart, has asked me to touch base with you regarding a catch up with the SA Local Government Grants Commission regarding its methodology for distribution of Commonwealth Financial Assistance Grants. As I understand it, it was agreed that DTF would touch base with the Commission regarding its methodology following a meeting with Mr Rory McEwen, a former Commissioner, who had raised some concerns about the current methodology and how it is applied by the Commission.

The Commission meets on a monthly basis and next meets on 21 April 2021. If this time is not suitable, I'd be happy to make arrangements for attendance at another time.

Also happy to discuss if you need.

Cheers

**Peter Ilee** | Executive Officer

South Australian Local Government Grants Commission

Office of Local Government

Planning and Land Use Services

Attorney-General's Department

T 08 7109 7148 (internal 97148) • M **Clause 6(1)** • E [peter.ilee@sa.gov.au](mailto:peter.ilee@sa.gov.au)

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<a href="mailto:Peter.ilee@sa.gov.au">Peter.ilee@sa.gov.au</a>				

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<image015.jpg>

## Stocker, Inthira (DTF)

**From:** Ilee, Peter (AGD)  
**Sent:** Monday, 26 July 2021 4:17 PM  
**To:** Hocking, Stuart (DTF); Raymond, Greg (DTF); Collins, Mark (DTF)  
**Cc:** Sgro, Alex (AGD)  
**Subject:** Grants Commission Documents  
**Attachments:** Model Constraints (Caps and Collars) over time - General Purpose (1997-9....xlsx; Ministers Sheet 2021-22 - Final.xlsx

### OFFICIAL

Stuart/Greg/Mark,

As discussed, please find a spreadsheet that details the caps and collars used by the Commission over time. Note that we haven't yet updated this spreadsheet for 2021-22 as the grants have not been approved by the Federal Minister.

I've also included a copy of our "Minister's Sheet", which shows the grant outcomes for all councils for 2021-22, noting that these are also yet to be approved by the Federal Minister.

I'll provide some info on the drivers for the big moves as soon as I can.

Cheers

**Peter Ilee** | Executive Officer

South Australian Local Government Grants Commission

Office of Local Government

Planning and Land Use Services

Attorney-General's Department

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NEW PLANNING SYSTEM





**Stocker, Inthira (DTF)**

---

**From:** Raymond, Greg (DTF)  
**Sent:** Friday, 9 October 2020 10:16 AM  
**To:** Hocking, Stuart (DTF)  
**Subject:** RE: Rory McEwen

I think that sounds like a sensible middle ground between not investigating the detailed methodology and undertaking a very time consuming full review.

It will also give us a chance to test their response to any potential outlier results such as assessed grants varying significantly from actual grant payments after caps and collars and how they see this diverging in the future.

I will update the response to factor this in.

Greg Raymond  
 8429 3193

---

**From:** Hocking, Stuart (DTF) <Stuart.Hocking@sa.gov.au>  
**Sent:** Friday, 9 October 2020 9:52 AM  
**To:** Raymond, Greg (DTF) <Greg.Raymond@sa.gov.au>  
**Subject:** RE: Rory McEwen

Thanks. Was wondering whether we conclude with a rec that the OLG present the next update results to DTF prior to going to the Commission so we can get a more practical understanding of issues and transparency – I will test with Alex Hart but what do you think?

---

**From:** Raymond, Greg (DTF)  
**Sent:** Thursday, 8 October 2020 9:44 PM  
**To:** Hocking, Stuart (DTF) <[Stuart.Hocking@sa.gov.au](mailto:Stuart.Hocking@sa.gov.au)>  
**Cc:** Lardner, Helen (DTF) <[Helen.Lardner@sa.gov.au](mailto:Helen.Lardner@sa.gov.au)>  
**Subject:** Rory McEwen

Hi Stuart

Attached is the proposed minute to the Treasurer summarising the outcome of the meeting with Rory McEwen re the LGGC.

If you want any amendments let me know.

Thanks,

**Greg Raymond**

Director | Revenue & Intergovernmental Relations | Budget and Performance Branch

State Administration Centre, Level 7, 200 Victoria Square ADELAIDE SA 5000  
 t (08) 842 93193 | m **Clause 6(1)** | e [greg.raymond@sa.gov.au](mailto:greg.raymond@sa.gov.au) | w [treasury.sa.gov.au](http://treasury.sa.gov.au)



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**Stocker, Inthira (DTF)**

---

**From:** Ilee, Peter (AGD)  
**Sent:** Thursday, 22 July 2021 10:30 AM  
**To:** Hocking, Stuart (DTF)  
**Cc:** Raymond, Greg (DTF)  
**Subject:** RE: SA Local Government Grants Commission - Distribution Methodology

OFFICIAL

All good Stuart, invite sent.

Cheers  
 Peter

---

**From:** Hocking, Stuart (DTF)  
**Sent:** Thursday, 22 July 2021 10:27 AM  
**To:** Ilee, Peter (AGD) <Peter.Ilee@sa.gov.au>  
**Cc:** Raymond, Greg (DTF) <Greg.Raymond@sa.gov.au>  
**Subject:** RE: SA Local Government Grants Commission - Distribution Methodology

Thanks Peter

Either 9.30 or 2.30 Monday would suit me. Tuesday Im doing interviews most of the day and Wed I am tentatively travelling to Whyalla depending on the lockdown situation.

Thanks

---

**From:** Ilee, Peter (AGD) <[Peter.Ilee@sa.gov.au](mailto:Peter.Ilee@sa.gov.au)>  
**Sent:** Thursday, 22 July 2021 10:11 AM  
**To:** Hocking, Stuart (DTF) <[Stuart.Hocking@sa.gov.au](mailto:Stuart.Hocking@sa.gov.au)>  
**Cc:** Raymond, Greg (DTF) <[Greg.Raymond@sa.gov.au](mailto:Greg.Raymond@sa.gov.au)>  
**Subject:** RE: SA Local Government Grants Commission - Distribution Methodology

OFFICIAL

Stuart,

Ok, all good. Do you have an issue if I schedule this meeting for early next week?

I will consider what I can send to you to help paint the picture – there is a lot of stuff I can send, but don't want to overcook it, so I'll need to think about it.

## 6(1) Personal affairs

Peter

---

**From:** Hocking, Stuart (DTF)  
**Sent:** Thursday, 22 July 2021 10:05 AM  
**To:** Ilee, Peter (AGD) <[Peter.Ilee@sa.gov.au](mailto:Peter.Ilee@sa.gov.au)>  
**Cc:** Raymond, Greg (DTF) <[Greg.Raymond@sa.gov.au](mailto:Greg.Raymond@sa.gov.au)>  
**Subject:** RE: SA Local Government Grants Commission - Distribution Methodology

Hi Peter – happy to do teams meeting. Im in the office. If there is anything you want to send in advance that would be great.

## 6(1) Personal affairs

Cheers

---

**From:** Ilee, Peter (AGD) <[Peter.Ilee@sa.gov.au](mailto:Peter.Ilee@sa.gov.au)>  
**Sent:** Thursday, 22 July 2021 9:58 AM  
**To:** Hocking, Stuart (DTF) <[Stuart.Hocking@sa.gov.au](mailto:Stuart.Hocking@sa.gov.au)>  
**Cc:** Raymond, Greg (DTF) <[Greg.Raymond@sa.gov.au](mailto:Greg.Raymond@sa.gov.au)>  
**Subject:** RE: SA Local Government Grants Commission - Distribution Methodology

### OFFICIAL

Hello Stuart and Greg,

Further to our discussions below, I apologise that it slipped my mind to get in touch a bit earlier regarding this issue.

I am in the process of preparing the briefings for the Commission's 2021-22 FA Grant recommendations after they decided on their final approach to this year's grants on Monday. The timelines are extremely tight for me to prepare the recommendations due to the new Federal Minister's appointment. We're working to have them ready for sign off by Monday at the latest.

In the meantime, I'm conscious that we were meant to catch up to have a discussion about the issues below before they were finalised. Given the current lockdown, would a Teams meeting be suitable for you? I'd prefer to have this meeting in person to be honest because I'd anticipate it requires flicking through a range of documents which might be tricky online, but happy to work with your preferences.

Happy to discuss if you need?

## 6(1) Personal affairs

Cheers  
Peter

---

**From:** Ilee, Peter (DIT)  
**Sent:** Wednesday, 10 March 2021 8:16 AM  
**To:** Hocking, Stuart (DTF) <[Stuart.Hocking@sa.gov.au](mailto:Stuart.Hocking@sa.gov.au)>  
**Cc:** Raymond, Greg (DTF) <[Greg.Raymond@sa.gov.au](mailto:Greg.Raymond@sa.gov.au)>  
**Subject:** RE: SA Local Government Grants Commission - Distribution Methodology

Hello Stuart (and Greg),

Happy with that approach. I'd be interested in any feedback that you have. We don't get much interest in the methodology outside of my interstate colleagues.

Assuming that the Federal Budget is returning to its normal timeslot (I have a meeting with my commonwealth colleagues and state counterparts today in fact, so will get an update), we usually have our first run of numbers for next year's grants in late May, so I might get back in touch at that point to organise a catch up. This will be before the Commission makes its final recommendations, which will be in early July.

Cheers

Peter

From: Hocking, Stuart (DTF)  
Sent: Tuesday, 9 March 2021 6:53 PM  
To: Ilee, Peter (DIT) <[Peter.Ilee@sa.gov.au](mailto:Peter.Ilee@sa.gov.au)>  
Cc: Raymond, Greg (DTF) <[Greg.Raymond@sa.gov.au](mailto:Greg.Raymond@sa.gov.au)>  
Subject: Re: SA Local Government Grants Commission - Distribution Methodology

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Regards

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**Peter Ilee** | Executive Officer  
South Australian Local Government Grants Commission  
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