

# Local Government Grants Commission – Consultation process fact sheet

## Consultation process

The Queensland Local Government Grants Commission (the 'Commission') issued a methodology review discussion paper on 3 June 2021.

Responses to the discussion paper were sought by 16 July 2021.

## Purpose of the consultation

It had been ten years since the Commission last implemented a new methodology.

To help direct and guide the methodology review, feedback from Councils was sought on:

- *How the national principles should apply in a Queensland context*
- *The Commission's key objectives for the grant distribution methodology*
- *Revenue and costs factors that are important considerations*
- *Minimum grant council determination*

## Who was consulted

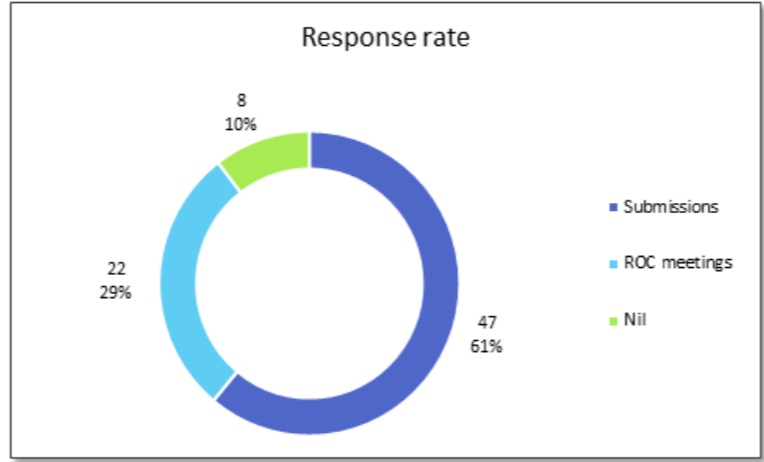
The 2021 methodology review discussion paper sought feedback from all Queensland Local Governments.

Additionally, Indigenous councils were engaged through individual contact from departmental officers and TCICA ROC.

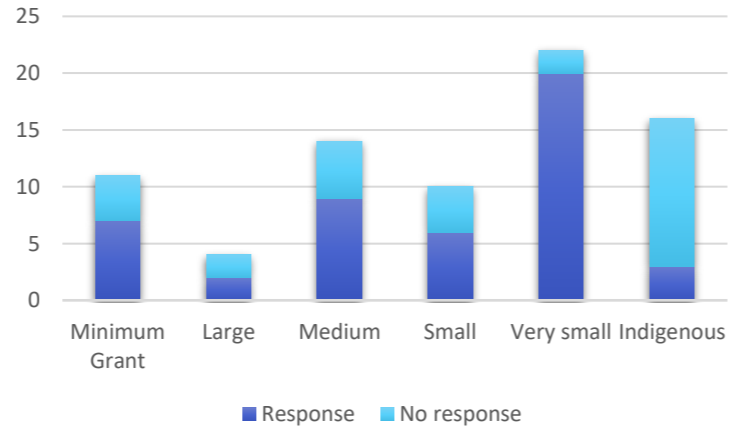
## Who responded

There was a high rate of engagement, with written responses received from all categories of council.

- 31 submissions received directly from Councils
- With submission from ROCs, 69 Councils provided feedback.
- Overall 90% of Councils responded directly or through the ROCs.



Response by council category

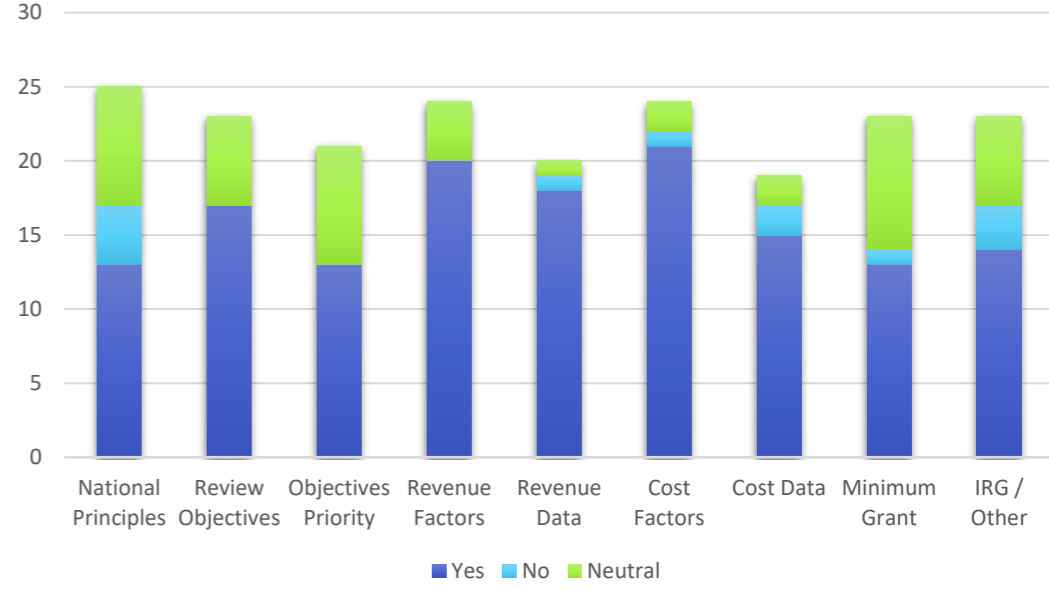


## What was the feedback

The key feedback received was:

- Overall Councils and stakeholders are supportive of a review of the FA Grant methodology
- Endorsement for the objectives for the grant distribution method, noting stability and equity should be prioritised
- Acknowledge the challenge with deriving a single model to allocate funding across Queensland's 77 diverse councils
- Whilst not unanimous, support to increase the number of councils who receive the minimum grant. Any decision making in this regard to be transparent and well documented.
- Identified a large number of factors that impact councils' ability to provide services

## Supports change



## Capturing the feedback into the FA Grant methodology

The Commission valued the feedback received from the discussion paper. A significant amount of the overall feedback received was regarding the cost and revenue factors faced by Councils.

The cost and revenue factors that were raised the most by Councils are noted in the following table.

The Commission is confident that the proposed grant distribution model will appropriately address these factors.

Common Revenue factors	Covered by the proposed new model
Household Income / Ratepayer capacity	✓
Land valuations	✓
Own-source limited / Socio-economic	✓
State Averages distort	✓
Land type	✓
Water / Water & Sewerage	✓
Common Cost factors	
Dispersion	✓
Remoteness / accessibility	✓
Non-resident services	✓
Rural extraordinary services	✓