

**SA Local Government Grants Commission
Methodology Review Plan
2024-25 to 2026-27**

Item No.	Current Priority	Methodology Issue and Background	Justification	Related to Other Methodology Review Issue(s)	Review Schedule			
					2023-24	2024-25	2025-26	2026-27
1	HIGH	<p>The Impact of Non-Resident Ratepayers Review to investigate the impacts of non-resident ratepayers on the Commission's assessment of relative need. This includes assessing the impacts of non-resident ratepayers on the assessment of capacity to raise revenue and the need for expenditure.</p> <p>This matter was originally raised by the District Council of Yankalilla and addressed by the Commission at the time and then the Council raised the matter with the Premier and previous Minister for Local Government and the Federal Member for Mayo.</p> <p>Issue centres on the inclusion of land valuations for residential property in the Council area that does not have a corresponding population because the property is not the primary residence of the owner. There are also considerations in relation to the recognition of expenditure need across a range of services impacted by non-resident use (eg waste).</p>	<p>A matter raised with the State Minister and Premier and the Federal Member for Mayo.</p> <p>Evidence in the calculations of the impacts on the revenue assessments, but unclear on the impacts on the expenditure assessments.</p>	<p>Often confused with the Non-Resident Use (NRU) issue (Issue No. 19), but not related. NRR is a separate issue regarding the grant calculations and the relationship between population and property values as well as expenditure need.</p> <p>NRU is more about visitors to the council area, be that from day trippers, holiday visitors who don't own a property in the council they are visiting or residents of neighbouring or other councils who travel into another council to access services not available in their own council.</p>				
2	HIGH	<p>Wakefield Regional Council Submission – ILRG – Assessment of Relativities Review of Council submission underway to investigate the assessment of the ILRG, to determine whether the current methodology disadvantages rural councils with low populations and significant road lengths. Investigations include a review of the current use of shares of road length and population in the assessment of relative need and the application of the ILRG National Principle.</p>	<p>Submission from Wakefield Regional Council. This matter has been raised formally the Council with the Commission at a council visit and the Council lodged a formal submission.</p>	<p>Related to Item 3 - Roads GIS Review and Item 16 - ILRG - Alternative Measures of Relative Need</p>				
3	MEDIUM	<p>Roads GIS Review Review underway to investigate the collection and storage of local road length information by the Commission that is used by the Commission in the assessment of relative need for the Identified Local Road Grants and in the assessment of need for expenditure in the General Purpose Grants. This task includes a review of the current and future method of collection, storage and ongoing management of road length data, currently in the form of a GIS managed by PIRSA for the Commission on an annual basis.</p>	<p>Existing LGGC Roads GIS is now over 20 years old and there is evidence that the annual update process is not keeping the LGGC GIS up to date with councils road networks.</p> <p>Management of the LGGC GIS has been outsourced (no LGGC resources/systems) to Tonkin and then PIRSA at an annual cost approaching \$25k. Review to identify cost savings.</p> <p>Benefits to a State based approach and centralized LG Roads GIS.</p>	<p>Related to Item 3 - Roads GIS Review and Item 16 - ILRG - Alternative Measures of Relative Need</p>				
4	MEDIUM	<p>LGGC/FMG/LGA Working Group Ongoing work with the FMG and LGA on Grants Commission methodology issues, data collection, Model Financial Statements as they arise.</p>	<p>FMG is an important LR stakeholder with broad council coverage to have issues raised and consulted on re Commission's methodology.</p>	<p>Covers all matters (potentially)</p>				
5	MEDIUM	<p>Unit of Measure - Function 20c (SRBU - Footpaths etc) To determine whether the Unit of Measure for Function 20c, currently the kilometres of sealed roads in a built-up area, is an appropriate measure to reflect expenditure need on additional road ancillaries such as kerb and gutter, street furniture and traffic calming devices.</p>	<p>Matter raised by previous Commissioner.</p>	<p>No</p>				
6	MEDIUM	<p>Other Grant Support Principle To review the Commission's current policy of grants/subsidies included in the assessment of the General Purpose Grants under the Other Grant Support Principle. Currently only libraries grants from DPC and the ILRG's are included and specifically, RTR and RLCIP grants from the Commonwealth are excluded. Some Commission's from other States include RTR in their assessment of subsidies.</p>	<p>Matter raised by Commission following discussions at previous National Forum meetings.</p>	<p>No</p>				
7	MEDIUM	<p>Victorian LGGC - Increased funding to Rural Councils Investigate the Victorian LGGC's approach to directing a greater proportion of GPG funding to rural councils, including a review of the methodology used.</p>	<p>Matter raised by Commission following discussions at previous National Forum meetings.</p>	<p>Potentially related to parts of other review issues relating to roads.</p>				
8	MEDIUM	<p>Population Dispersion Investigate the use of population dispersion in the other States and whether there is data available to SA that could be applied to account for councils with widely dispersed communities (e.g., Adelaide Hills, Yorke Peninsula)</p>	<p>Matter raised by the Southern and Hills LGA in its meeting with the Commission and Alexandrina Council at council visits.</p>	<p>Bundle of Items for External Review - Items 8 - Population Dispersion, 13 - Coastline Management, 15 - National Parks Forestry Areas and Crown Land, 18 - Non-Resident Use, 19 - Climate Change, 20 - Remoteness.</p>				
9	HIGH	<p>Waste Disposal Investigate the development of an additional waste management CRI to recognise the impacts of the disposal of waste from council collections to transfer stations and land fill sites inside and outside of council boundaries.</p>	<p>Matter raised by a wide range of regional councils over a long period of time following changes to the EPA requirements and the closure of a number of council landfill sites.</p>	<p>No</p>				
10	HIGH	<p>Heavy Vehicle Usage on Local Roads Investigate the increased costs of maintaining local roads due to the increasing use of local roads by heavy vehicles. Include assessment of Roads CRI's. Include impacts of mining industries. Note that this issue has previously been investigated and data limitations have prevented any meaningful assessment, including the variability of road hierarchies, the placement and timing of traffic counts and the proportion of the overall council network used to measure HV usage.</p>	<p>Matter raised by a wide range of regional councils over a long period of time.</p>	<p>Related to Item 2 - WRC Submission - ILRG - Assessment of Relativities</p>				
11	MEDIUM	<p>Valuations Data Investigate the use of capital valuations in the Commission's assessment of capacity to raise revenue. Include the issue of the increases in valuations for rural properties, the reduction in smaller farms and reduced populations with larger farms. Links between land value and capacity to pay.</p>	<p>Raised by a number of rural councils at council visits.</p>	<p>Bundle with Item 21 - Capacity to Raise Revenue</p>				

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12	HIGH	Population vs Properties Investigate the use of the number of properties as a denominator in the Commission's assessment of relative need instead of population for the revenue assessments for the General Purpose Grants.	Raised by Michele Bennetts as part of the NRR Review as a recommendation to explore outside the scope of the NRR project.	Follow on from Item 1				
13	MEDIUM	Coastline Management Investigate the significance of the costs and drivers of coastal maintenance in assessment of need for expenditure.	Raised by a number of rural councils at council visits.	Bundle of Items for External Review - Items 8 - Population Dispersion, 13 - Coastline Management, 15 - National Parks Forestry Areas and Crown Land, 18 - Non-Resident Use, 19 - Climate Change, 20 - Remoteness.				
14	MEDIUM	Cemeteries Investigate why cemeteries are not currently included in the assessment of need for expenditure.	Identified by discussions at council visits and by the Commission at meetings.	No				
15	MEDIUM	National Parks, Forestry Areas and Crown Land What considerations are made for forestry areas, national parks and crown land – including whether these lands use types are rateable land, heavy vehicle usage going to and from forestry areas, impacts of recreational use and services provided by councils.	Raised by a number of rural councils at council visits.	Bundle of Items for External Review - Items 8 - Population Dispersion, 10 - Heavy Vehicle Usage on Local Roads, 13 - Coastline Management, 15 - National Parks Forestry Areas and Crown Land, 18 - Non-Resident Use, 19 - Climate Change, 20 - Remoteness.				
16	HIGH	ILRG - Alternative Measures of Relative Need Explore alternative measures of relative need, including rural production volumes/outputs and export value.	Raised by a number of rural councils at council visits.	Potentially related to parts of other review issues relating to roads.				
17	MEDIUM	Indigenous Population Investigate the methodology for account for the proportion of indigenous population, fluctuations in population and capturing accurate ERP data.	Ongoing concerns about the reliability of ABS data.	No				
18	HIGH	Non-Resident Use Investigate the impacts of tourists, including day trippers and those staying for periods of time and significant annual or seasonal fluctuations in population. Also consider usage of council services from residents in adjacent councils.	Raised by a wide range of councils over a long period of time at council meetings.	Bundle of Items for External Review - Items 8 - Population Dispersion, 13 - Coastline Management, 15 - National Parks Forestry Areas and Crown Land, 18 - Non-Resident Use, 19 - Climate Change, 20 - Remoteness.				
19	MEDIUM	Climate Change Consider the impacts of climate change on service provision for LG.	Not yet justified - look at climate change expenditure in council financial statements - information potentially not readily accessible.	Bundle of Items for External Review - Items 8 - Population Dispersion, 13 - Coastline Management, 15 - National Parks Forestry Areas and Crown Land, 18 - Non-Resident Use, 19 - Climate Change, 20 - Remoteness.				
20	MEDIUM	Remoteness Consider the current measure for remoteness in Function 50 and investigate other options and a more direct and relevant measure.	Matter discussed at some council visits for regional council visits.	Bundle of Items for External Review - Items 8 - Population Dispersion, 13 - Coastline Management, 15 - National Parks Forestry Areas and Crown Land, 18 - Non-Resident Use, 19 - Climate Change, 20 - Remoteness.				
21	MEDIUM	Capacity to Raise Revenue Consider the impacts of assessment of capacity to raise revenue based on impacts of rural v residential assessments.	Raised by a number of regional councils at council visits.	Bundle with Item 11 - Valuations Data				
22	MEDIUM	Function 41 - Planning & Building Control Review the Unit of Measure and consider the requirements of the PDI Act regarding the requirement for Assessment Panels and Assessment Managers.	Matter raised by the Commission Chair.	No				