

The background of the entire page is a complex, abstract pattern of overlapping, semi-transparent teal and green triangles and polygons, creating a low-poly, crystalline effect. The colors range from light, airy teals to deep, dark forest greens.

# **ANNUAL REPORT** 2021

Queensland Local Government Grants Commission

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**Queensland Local Government  
Grants Commission**

19 April 2022

The Honourable Dr Steven Miles MP  
Deputy Premier and Minister for State Development, Infrastructure, Local  
Government and Planning  
1 William Street  
Brisbane QLD 4000

Dear Deputy Premier

On 12 August 2021, the Honourable Kevin Hogan MP, Assistant Minister to the  
Deputy Prime Minister, Assistant Minister for Local Government approved the  
allocation of the 2021-22 Financial Assistance Grant, as put forward by the  
Queensland Local Government Grants Commission.

This report contains details of the distribution methodology for the grant and the  
outcomes for Queensland's 77 local governments. Additionally, it details other  
commission activities over the previous year, including the commission's Council  
visitation program.

Yours sincerely



Paul Bell AM  
Chairperson  
Queensland Local Government Grants Commission

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## Highlights

The Queensland Local Government Grants Commission Report for 2020-21 provides a summary of the commission's activities for the year, particularly the allocation of the 2021-22 Financial Assistance Grant (FA Grant). The following are some of the highlights of the year.

### **Financial Assistance Grant Allocation 2021-22**

The commission determined the allocations for the total cash grant for the financial year 2021-22 totalling \$531.7 million. FA Grant funds are paid as untied grants under the provisions of the Commonwealth *Local Government (Financial Assistance) Act 1995*.

### **Number of commission meetings**

Due to the ongoing Covid-19 pandemic, the commission faced difficulties visiting councils. The commission held six formal meetings during the year, in addition to four council visits. The commission chair also attended the LGAQ Annual Conference in October 2020.

### **Calculation**

There were no changes made to the methodology used for 2021-22.

### **Methodology Review**

In July 2020 the commission commenced a formal review of the calculation methodology of the FA Grant. Detail is provided below in 'The 2020-21 year in review'.

# 1 The Commission

## 1.1 Role of the Commission

The Queensland Local Government Grants Commission (the commission) is an independent statutory body that:

- makes recommendations for the distribution of Commonwealth Government financial assistance to Queensland's 77 local governing bodies
- undertakes a data collection process to determine an average level of revenue and expenditure for each local governing body which informs annual Financial Assistance Grant recommendations
- undertakes a program of hearings at local governing bodies throughout the state.

## 1.2 The legislation

The commission was established in 1977 following the enactment of the *Local Government Grants Commission Act 1976* (Queensland). The commission in Queensland now operates under the *Local Government Act 2009*. Appendix 2 provides a history of the commission and the Financial Assistance Grant in Queensland.

The commission makes recommendations to the Queensland Minister responsible for local government on the distribution of the Commonwealth's Financial Assistance Grant to local governments. These recommendations are based on the requirements of the *Local Government (Financial Assistance) Act 1995* (Commonwealth) and the National Principles prescribed under that Act and must be approved by the Commonwealth Minister responsible for local government.

The commission's statutory powers come under the *Local Government Act 2009* and the *Local Government Regulation 2012*, which state:

- The commission is a body that is created under this Act to perform the responsibilities of a local government grants commission under the *Local Government (Financial Assistance) Act 1995* (Commonwealth); and
- The Queensland Minister must comply with the *Local Government (Financial Assistance) Act 1995* (Commonwealth).

## 1.3 Commission members

The *Local Government Act 2009* requires that the commission is made up of the following members:

- Chair
- Deputy Chair
- four other members.

The *Local Government Act 2009* also requires that:

- the Deputy Chair is to be an officer of the department
- at least one member has knowledge of local government in relation to the local government areas of Indigenous regional councils and other Indigenous local governments
- the other members have knowledge of local government.

The Governor-in-Council appoints members of the commission for a period of up to three years.

## Chairperson

### ***Paul Bell AM***

Paul Bell has served Local Government continually over the past 34 years. During this time he has held the roles of Mayor, Deputy Mayor and Councillor. Paul has also held the positions of President of both the Australian Local Government Association and the Local Government Association of Queensland. Paul has held several Board positions including a Director of Local Government Super, QR National and Ergon Energy and he presently Chairs the Central Queensland Health and Hospital Board.

## Deputy Chair

### ***Natalie Wilde***

Natalie Wilde is the Deputy Director-General, Local Government Division, Department of State Development, Infrastructure, Local Government and Planning. The *Local Government Act 2009* states that the person who is appointed as the deputy chairperson is an officer of the department.

## Members

### ***Janelle Menzies***

Janelle Menzies is the Chief Executive Officer, Napranum Aboriginal Shire Council. She was previously the Chief Executive Officer, Yarrabah Aboriginal Shire Council from 2014 until 2019 and Deputy Chief Executive Officer and Finance Manager for Pormpuraaw Aboriginal Shire Council from 2009. With a Bachelor of Accounting from the University of South Australia, Janelle has held several roles as a finance manager for local Councils from 1998. In 2008, Ms Menzies received the Australia Day Award for Public Service, for her work as a financial controller at Mer and Saibai Islands in the Torres Strait.

### ***Jo Sheppard***

Originally from Cunnamulla in far SW Queensland, Jo has worked across a number of industries from agriculture, small business and local government to education, communications and the not-for-profit sector developing skills in both the public and private sectors. Jo has been a director of stakeholder engagement at University of Southern Queensland, a director with Sunwater and a board member with the Toowoomba Chamber of Commerce. She also has 12 years' experience as an elected councillor including 4 years as Mayor with the Paroo Shire Council. Jo holds a Bachelor of Business and is a graduate of the AICD Directors Diploma program, has a sound understanding of regional and remote Queensland and pleased to have the opportunity to contribute to Local Government as a Local Government Grants Commissioner.

### ***Deirdre Comerford***

Deirdre Comerford served 18 years as an Elected Member, four of these (2012-2016) as Mayor of Mackay Regional Council. She is a Graduate of the AICD Directors Diploma program and has served on various Boards in the role of Chair, Company Secretary and Director.

Deirdre has served on the Local Government Association of Queensland LGAQ Policy Executive, State President of the Australian Local Government Women's Association and ALGWA National Executive. Past Chair of Regional Capitals Australia, an Alliance between 50 Regional Capital Cities throughout Australia and Past Chair of Whitsunday ROC.

Deirdre was awarded Life Membership of Mackay Tourism and the Honorary Award of Companion of CQUniversity. Since local government she has been a Non-Executive Director

of Queensland Country Credit Union Ltd, currently a Non-Executive Director of Queensland Country Health Fund Ltd and Queensland Country Care Navigation Pty Ltd. She is also an Independent Trustee of the Macrossan and Amiet Charitable Foundation and works in Pastoral Care at Mater Hospital Mackay.

The sixth position on the Commission was vacant for the majority of 2020-21, following the resignation of Les Walker upon his successful election to the Queensland Parliament in November 2020.

## **Remuneration of commission members**

Remuneration of members is paid according to the Queensland Government Remuneration of Part-time Chairs and members of Government Boards, Committees and Statutory Authorities.

For the 2020-21 financial year, board fees were paid to the commission, as approved by the Governor-in-Council. The Chair of the commission receives \$10,000 annually and commission members receive \$6,000 annually.

Public sector employees (currently Natalie Wilde and Janelle Menzies) who serve as commission members have not received remuneration. All commission members are entitled to reimbursement and allowances for travel.

## **Commission support staff and resourcing**

A number of staff from the Department of State Development, Infrastructure, Local Government and Planning supported the commission during the year.

**Executive Officer:** Mark Askins

**Departmental officers:** Michael Meehan, Peter Fletcher and Emma Strachan.

Importantly, all funds allocated by the Commonwealth Government as Financial Assistance Grants are distributed to councils. The commission's operating costs are met by the Queensland Government. These costs include member session fees, secretariat support, accommodation, travel and consultancies.

## **1.4 Acknowledgements**

The commission wishes to acknowledge and express its gratitude for assistance received from:

- Department of State Development, Infrastructure, Local Government and Planning
- Commonwealth Department of Infrastructure, Transport, Regional Development and Communications
- Australian Bureau of Statistics
- Department of Transport and Main Roads
- Department of Resources
- Local Government Association of Queensland (LGAQ)
- Queensland Government Statistician's Office
- Queensland Treasury Corporation.

The commission also expresses its appreciation to elected representatives and staff of all Queensland local governments for their assistance and cooperation during the year.



## 2 The 2020-21 year in review

### Council visits

The COVID-19 pandemic continued to present difficulties for the commission in carrying out its usual visitation program. In June 2021 the commission visited four councils in the central Queensland region:

- Banana Shire Council
- Gladstone Regional Council
- Livingstone Shire Council
- Rockhampton Regional Council

The commission chair also attended the LGAQ Annual Conference on the Gold Coast in October 2020 but did not hold any deputations with councils due to COVID-19 concerns.

The Council visit program and deputations provided an opportunity to explain the role of the commission and the methodology process for the allocation of the FA Grant. The program also provided elected representatives and senior council staff the opportunity to present direct feedback to the commission including issues facing their communities. These visits are open to members of the public and are a vital aspect of the role of the commission.

### Methodology Review

The Commission has undertaken a review of the methodology for the allocation of the FA Grant to Queensland councils. The Commission engaged Queensland Treasury Corporation to provide technical assessment support and analysis.

It is ten years since the last major review was completed, which did not consider the Identified Road Grant (IRG) component. The need for a review was supported through feedback received by the Commission from Queensland councils and is in line with a resolution of the 2020 Local Government Association of Queensland Annual Conference.

The Commission strongly believed a more equitable distribution of the FA Grant could be achieved in accordance with the Commonwealth National Principles, with a focus on achieving greater horizontal fiscal equalisation for Queensland local governments.

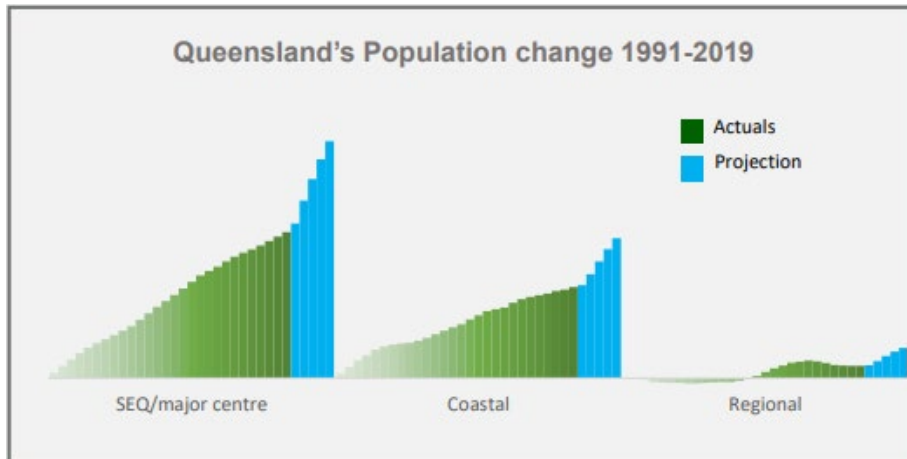
#### *The need for a review*

The objective of the FA Grant is to try to enable all councils to provide services at a standard not lower than the average.

The operating environment for Queensland's 77 councils has changed significantly since the FA Grant was introduced almost 50 years ago. The Commission identified the need for a major review to ensure the allocations were reflective of current conditions.

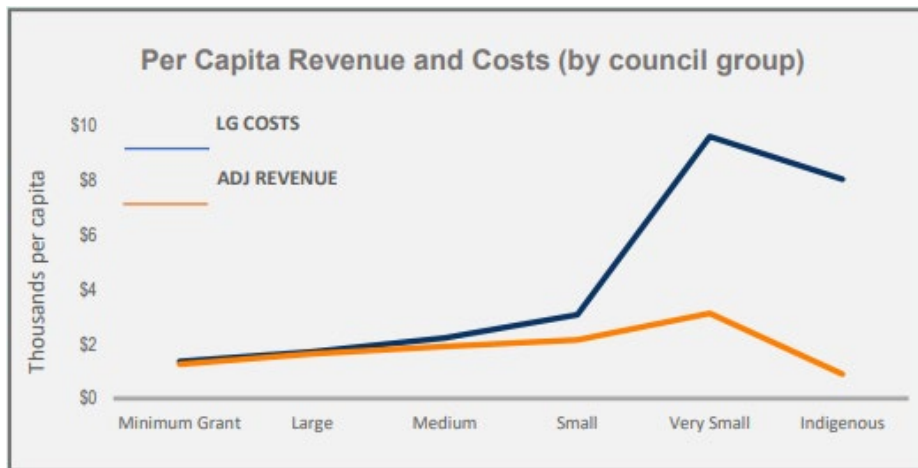
Sustainability is a challenge for all councils - however some councils have greater challenges due to their location, population and being the provider of last resort.

The ability to provide equitable levels of service is impacted by population, and Queensland's population has changed significantly.



Source: Queensland Treasury Corporation

Regardless of population size, the minimum operational cost of a council is approximately \$10M (excluding depreciation and financing costs). Councils with a population of less than 20,000 do not have the capacity to derive sufficient revenue to meet their cost base. As council size decreases, costs and revenue per capita diverge.



Source: Queensland Treasury Corporation

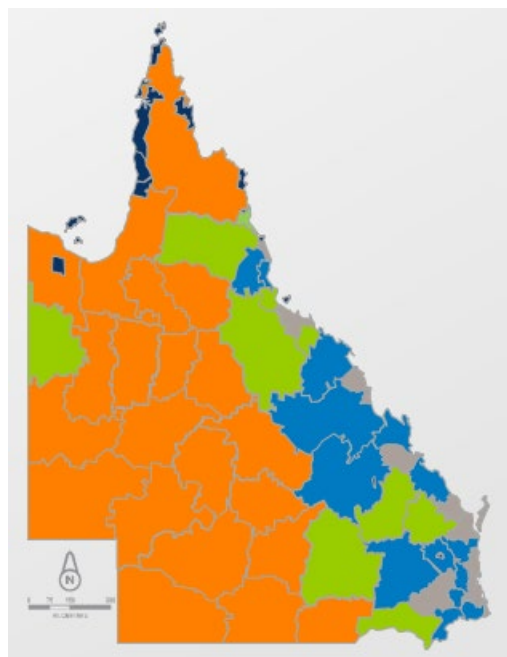
This structural challenge has resulted in historical operating deficits over the last 5 years – councils with populations of less than 20,000 have incurred a combined net operating deficit of \$103M per annum.



Source: Queensland Treasury Corporation

A council's size can constrain their ability to generate revenue to cover the costs of service provision. A significant proportion of Queensland councils are very small, small, or indigenous (49 councils have a population of less than 25,000). These councils in particular face significant challenges in providing essential services to their communities. These

councils require a more significant per capita funding support level to provide adequate services to their communities.



Segment	Population size
Indigenous	n/a
Very Small	<10,000
Small	10,000 to 20,000
Medium	20,000 to 79,999
Large	>80,000

Source: Queensland Treasury Corporation

## Objectives

The objectives guiding the review of the methodology were determined by the Commission based on feedback from councils about important factors the new methodology should deliver on. The objectives were:

<b>Transparent</b>	Councils understand the methodology and how their allocation is determined
<b>Equitable</b>	Outcomes address relative disadvantage in the current environment
<b>Simple</b>	Minimises complexity in the approach
<b>Reliable</b>	Data is consistent and obtained from trusted sources
<b>Stable</b>	Methodology ensures low variability of allocation outcomes

## Scope

The scope of the review acknowledged that the Commission must operate within the:

- relevant legislation
- Commonwealth National Principles
- size of the funding pool, which is determined by the Commonwealth Government.

## Consultation

In June 2021 the Commission released a Discussion Paper, inviting input to the review from councils and other stakeholders, with feedback on the Discussion Paper due in **July 2021**. Following this, the Commission planned to meet with Regional Organisations of Councils (ROCs).

The Department, as Commission Secretariat, and Queensland Treasury Corporation also met with interstate Grants Commission secretariat staff to discuss the various approaches and methodologies for allocating the FA Grant.

A summary of consultation was prepared by the Commission and is available on the Commission’s website <https://www.statedevelopment.qld.gov.au/local-government/governance/queensland-local-government-grants-commission>.

## About the new Methodology

The key features of the new model that have been derived are:

- focusing on the difference between a council’s **potential** to raise revenue and its actual **capacity** to raise revenue in acknowledgement of the revenue raising challenge faced by many councils
- allowing for the difference in costs in providing services (on a per capita basis)
- including cost factors that better reflect an individual council’s operating environment (remoteness, dispersion and socio-economic conditions)
- reducing the sensitivity of the model to road network input data, which means road length and related information is not as influential in determining grant allocations.
- establishing more councils as *minimum grant councils* given their higher revenue-raising capacity when compared to other Queensland councils.



Source: Queensland Treasury Corporation

More detail on the inputs and formula used in the new methodology are available on the Commission website <https://www.statedevelopment.qld.gov.au/local-government/governance/queensland-local-government-grants-commission/2021-methodology-review>.

## Implementation

The new methodology represents a change from the past and the Commission recognised that councils will need time to prepare for a new distribution approach. For this reason, changes to transition to the new FA Grant allocation model will be implemented over a three-year period, commencing from the 2022-23 financial year.

The Commission intends to confirm councils’ 2022-23 allocations in June 2022, once Queensland’s 2022-23 allocation from the Commonwealth Government has been confirmed.

## Timeline

■	May 2021	Councils informed of review
■	Jun-Jul 2021	Discussion paper released for consultation

<i>Aug-Sep 2021</i>	<b>Consideration of feedback</b>
<i>December 2021</i>	<b>Councils advised of review outcomes</b>
<i>June 2022</i>	<b>Advise councils of 2022-23 Indicative FA Grant allocations</b>
<i>2022/23</i>	<b>Implementation</b>

More information on the new methodology and the review process can be found on the Commission website here: <https://www.statedevelopment.qld.gov.au/local-government/governance/queensland-local-government-grants-commission/2021-methodology-review>.

## 2.1 Grant allocation principles and processes

### National principles

The framework for calculating the Financial Assistance Grant is established by the Commonwealth Government's national principles. The commission's methodology for allocating the Financial Assistance Grant is required to comply with these principles.

### General Purpose Grant

The first three national principles in particular shape the methodology for calculating the General Purpose Grant. As with the Identified Road Grant, the General Purpose Grant is untied and may be used for any legitimate council activity. The national principles relating to the allocation of the General Purpose Grant, payable under section 9 of the *Local Government (Financial Assistance) Act 1995* (Commonwealth) (the Act) among local governing bodies are:

#### Horizontal fiscal equalisation

The General Purpose Grant is allocated to local governing bodies, as far as practicable, on a horizontal fiscal equalisation basis as defined by the Act. This 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. Horizontal fiscal equalisation takes into account the differences in the expenditure required by local governing bodies in the performance of their functions and in the capacity of local governing bodies to raise revenue.

Horizontal fiscal equalisation effectively establishes the purpose of the Financial Assistance Grant. To meet this principle, the General Purpose Grant methodology accounts for differences in the expenditure local governing bodies incur in providing services and their revenue-raising capacity. The commission calculates state averages for revenue and expenditure categories and applies these averages – with adjustors (or multipliers) – to each local governing body.

#### Effort neutrality

An effort (or policy) neutral approach is used in assessing expenditure requirements and revenue-raising capacity of each local governing body. This means that as far as practicable the policies of individual local governing bodies, in terms of expenditure and revenue effort, will not affect the General Purpose Grant determination.

For instance, whether a local governing body chooses to fund three libraries or none, or provide subsidies to key industry sectors, does not affect the outcome for the individual local governing body. Actual revenues and expenditures are used to calculate state averages only, not individual local governing body allocations. Infrastructure or service backlog is also not considered in determining the General Purpose Grant.

The principle of effort neutrality allows the commission to consider factors outside of a local governing body's control which may affect its revenue-raising capacity or expenditure need—for example, geographical location. Importantly, effort neutrality ensures that local governing bodies cannot, through policy decisions, affect their General Purpose Grant outcomes.

#### Minimum grant

The minimum General Purpose Grant allocation is 30 per cent of the available funding, which is allocated on a per capita basis.

Minimum grant determination is calculated by taking 30 per cent of the total General Purpose Grant pool and distributing this on a per capita basis for each local governing body in the state. Local governing bodies only receive the minimum grant when assessed as having a high capacity to raise revenue.

For the 2021-22 grant allocation, the following councils only received the minimum grant:

- Brisbane City Council
- Cairns Regional Council
- Gold Coast City Council
- Ipswich City Council
- Logan City Council
- Moreton Bay Regional Council
- Noosa Shire Council
- Redland City Council
- Sunshine Coast Regional Council
- Townsville City Council

### **Other grant support**

Other relevant grant support provided to all local governing bodies to meet any of the expenditure needs assessed should be taken into account using an inclusion approach.

### **Aboriginal people and Torres Strait Islanders**

Financial assistance shall be allocated to a local governing body in a way that recognises the needs of Aboriginal people and Torres Strait Islanders 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.

### **Identified Road Grant**

The national principle relating to the allocation of the amounts payable under section 12 of the Act – the identified road component of the FA Grant – among local governing bodies is as follows:

*The identified road grant 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 road needs, relevant considerations include length, type and usage of roads in each local governing area.*

## **Grant processes**

The following should be noted with regard to the annual FA Grant allocation:

- **Data collection**

The commission uses data collected directly from councils as well as other sources, such as the Australian Bureau of Statistics and a variety of Queensland Government agencies. Base data used in the allocation methodology is listed for each council in Appendix 3.

Some specific data items used in the methodology are sourced directly from local governments through the Consolidated Data Collection which is due annually in mid-November. This data is also used by the Department of State Development, Infrastructure, Local Government and Planning for the *Queensland Local Government Comparative Information* publication and the Australian Bureau of Statistics for the national accounts.

- **Variability of Financial Assistance Grant outcomes**

As the methodology for making the recommendation uses averages which are based on annual data, these averages will change from year to year. Additionally, data such as population and property valuations will vary annually for each council. For this reason, FA Grant outcomes are not fixed and will change each year. Councils should therefore forecast budgets with caution in this regard.

## 2.2 Grant funding 2021-22

For 2021-22, Queensland's cash FA Grant allocation was:

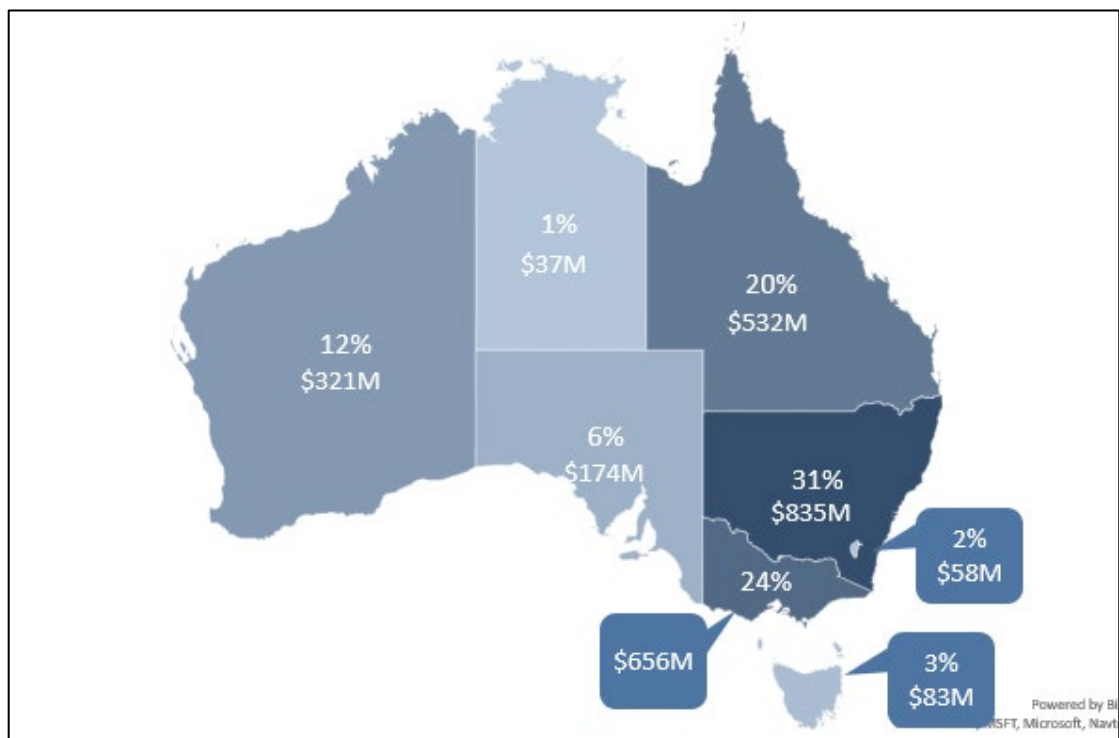
- \$376,482,978 for the General Purpose Grant
- \$155,257,453 for the Identified Road Grant.

Therefore, Queensland's total cash Financial Assistance Grant funding allocation for 2021-22 was \$531,740,431. The total funding for Australia was \$2,696,096,087.

Both components of the Financial Assistance Grant provide untied funding to Queensland local governing bodies and require no acquittal processes. Relative allocations for all states and territories are detailed in Diagram 1.

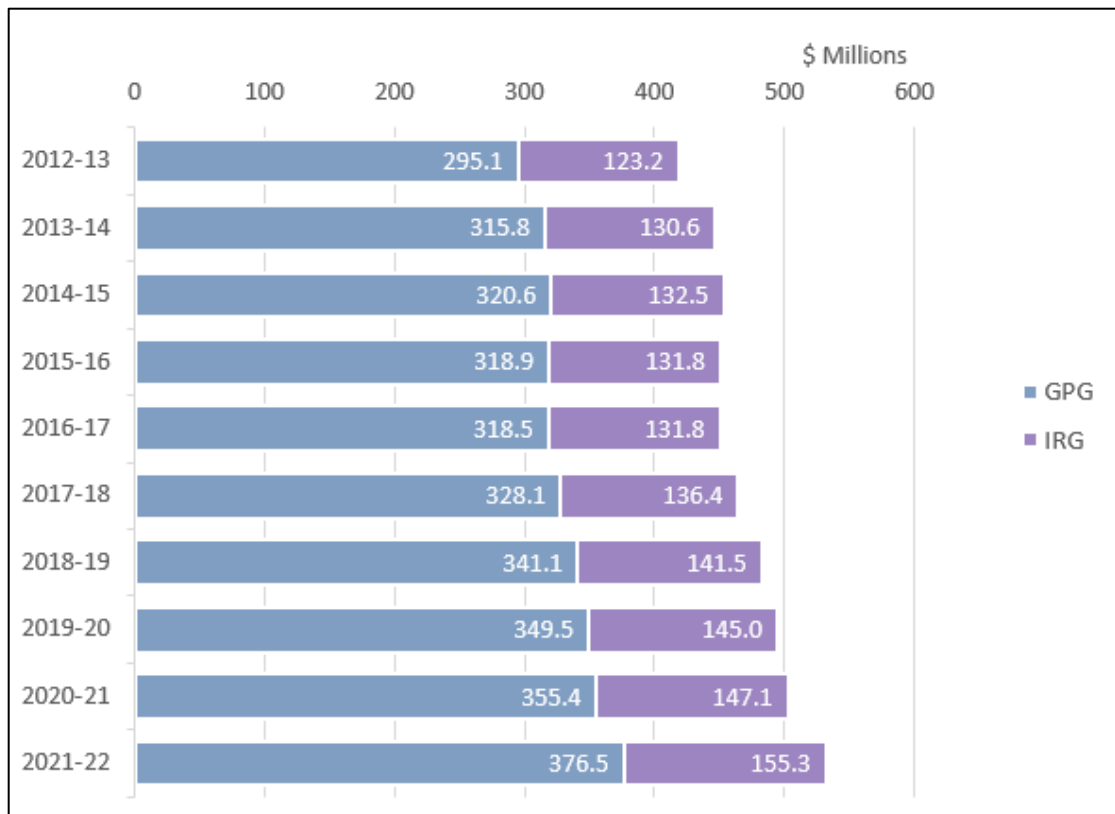
Note the above figures include the Commonwealth Government cash adjustment, which considers newly available consumer price index (CPI) and population data annually, with respect to the grant from the previous year. The cash adjustment for the 2020-21 General Purpose Grant, as applied to the 2021-22 grant was \$4,486,938. The cash adjustment for the 2020-21 Identified Road Grant, as applied to the 2021-22 grant was \$2,242,972.

**Diagram 1: National distribution of the 2021-22 total cash grant pool (General Purpose Grant and Identified Road Grant)**





**Diagram 2: Queensland's historical FA Grant allocation  
(General Purpose Grant and Identified Road Grant)**



## 2.3 General Purpose Grant methodology

For 2021-22, no changes were made to the methodology from 2020-21.

### 2.3.1 Assessing revenue

#### The revenue categories

Table 1 summarises the methodology revenue categories, their drivers and the unit of measure applied to the calculation.

**Table 1: Summary of revenue assessment**

Revenue category	Revenue driver	Unit of measure (state average)
Rates	Total valuations	Average cent in dollar rates: \$0.007
Garbage charges	Residential properties	\$624.42 per residential property
Fees and charges	Population	\$449.01 per capita
Other grants	Actual grants received	Identified Road Grant (50% used) State Government Financial Aid (20% used) Minimum grant component of the General Purpose Grant (100% used)

#### Rates

A 5-year average of property valuations is used to avoid large fluctuations in grant outcomes. The total state rate revenue is divided by this 5-year average of land valuation to derive a cent in the dollar average, which is then multiplied by each council's total land valuation (averaged over 5 years).

$$\text{Cent in dollar avg} \left( \frac{\text{State total rate revenue}}{\text{State total valuation (5 year avg)}} \right) \times \text{council total valuation (5 year avg)}$$

The outcome of this assessment is adjusted by a combination of three socio-economic indexes from the Australian Bureau of Statistics to allow for capacity to pay.

Because Indigenous councils do not charge rates, 20 per cent of their State Government Financial Aid allocation is used as a proxy for rate revenue.

#### Garbage charges

The methodology uses the state total revenue for garbage collection divided by total residential properties to calculate the value per residential property. For 2021-22, the average per residential property is \$624.42.

#### Fees and charges

The methodology calculates this revenue as a per capita amount. This is calculated by the sum of all revenue received by user fees and charges across all councils, divided by the state's population. The per capita amount for 2021-22 is \$449.01.

#### Other grants

Other grants assessed as contributing to councils' revenue are:

- Identified Road Grant (50 per cent used)
- State Government Financial Aid (20 per cent used)
- Minimum grant component of the General Purpose Grant (100 per cent used).

## 2.3.2 Assessing expenditure

### The expenditure categories

State expenditure totals for each of the below expenditure categories are divided by relevant cost drivers, such as total state population, to determine per capita amounts that form the basis for each council's category expenditure. Cost adjustors are then applied to account for the differences in service delivery across the state.

Table 2 details each expenditure category, the relevant cost driver, the average for 2021-22 and the cost adjustors that are applied to the category.

**Table 2: Summary of expenditure assessment in the methodology**

Expenditure category	2021-22 unit of measure	Cost adjustors applied		
		Location	Demography	Scale
Administration	Actual remuneration category + (\$411.50 per capita + \$421.76 per property / \$137.17 per capita (Indigenous councils)	✓		✓
Public order and safety	\$39.61 per capita	✓	✓	✓
Education, health, welfare and housing	\$39.61 per capita	✓	✓	✓
Garbage and recycling	\$448.04 per residential property / \$136.51 per capita (Indigenous councils)	✓		✓
Community amenities, recreation, culture and libraries	\$243.43 per capita	✓	✓	✓
Building control and town planning	\$189.53 per residential property / \$57.75 per capita (Indigenous councils)	✓		✓
Business and industry development	\$56.08 per capita	✓		✓
Environment	\$115.77 per residential property / \$37.65 per capita (Indigenous councils)	✓		✓
Roads	Road expenditure assessment (as below)	✓		✓

### **Administration**

Administration costs are assessed as a total of the following three components:

1. Remuneration category actual expenditure (mayor, deputy mayor and councillor's remuneration mid-point), plus chief executive officer, chief financial officer, personal assistant / administration staff, and audit expenditure.
2. Seventy-five per cent of remaining state total administration expenditure divided by state population and multiplied by council population (\$411.50 per capita (75 per cent) for 2021-22).
3. Twenty-five per cent of remaining state total administration expenditure divided by state total number of properties and multiplied by total number of council properties (\$421.76 per property (25 per cent) for 2021-22). For Indigenous councils, adjusted population data is used in place of property numbers (\$137.17 per capita).

### **Public order and safety**

This category is calculated by dividing the state total expenditure for public order and safety by the state total population and multiplying by council population. For 2021-22, the amount for each council is \$39.61 per capita.

### **Education, health, welfare and housing**

This category is calculated by dividing the state total expenditure for education, health, welfare and housing by the state total population, then multiplying by council population. For 2021-22, the amount for each council is \$39.61 per capita.

### **Garbage and recycling**

The number of residential properties is the cost driver used to calculate expenditure for this category. For Indigenous local governments, population is used rather than the number of residential properties. For 2021-22, the amounts for each council are \$448.04 per residential property and \$136.51 per capita for Indigenous councils.

### **Community amenities, recreation, culture and libraries**

This category is calculated by dividing the state total expenditure for community amenities, recreation, culture and libraries by state total population and multiplying by council population. For 2021-22, the amount for each council is \$243.43 per capita.

### **Building control and town planning**

This category is calculated by dividing the state total expenditure for building control and town planning by the state total residential properties and multiplying by council residential properties. For Indigenous local governments, adjusted population figures are used rather than residential properties. For 2021-22, the amounts for each council are \$189.53 per residential property and \$57.75 per capita for Indigenous councils.

### **Business and industry development**

This category is calculated by dividing the state total expenditure for business and industry development by the state total population and multiplying by council population. For 2021-22, the amount for each council is \$56.08 per capita.

### **Environment**

Environmental expenditure is calculated by dividing the state total expenditure for environment by the state total number of properties and multiplying by number of council properties. For Indigenous local governments, adjusted population figures are used rather than total properties. For 2021-22, the environment amounts for each council are \$115.77 per residential property and \$37.65 per capita for Indigenous councils.

## Roads

**Table 3: Summary of Road Assessment Model**

	Traffic volume range (adjusted vehicles per day)	Base cost (\$/km)	Cost adjustors									
			Climate		Soil sub-grade			Population density		Terrain		
			Favourable (TI -50)	Adverse (TI +100)	Good (CBR>10)	Poor (CBR<5)	MR Reactive	<1.0persons/km <sup>2</sup>	<0.1p/km <sup>2</sup>	Undulating	Hilly	Mountainous
Rural Roads	Unformed	\$398	0%	25%	0%	0%	0%	5%	10%	2%	5%	0%
	<40	\$797	0%	20%	0%	0%	0%	5%	10%	2%	5%	0%
	40–150	\$3,808	0%	20%	0%	10%	10%	5%	10%	2%	5%	0%
	150–250	\$6,921	-10%	15%	-5%	10%	10%	2.5%	5%	2%	5%	10%
	250–1000	\$9,772	-7.5%	10%	-5%	10%	10%	2.5%	2.5%	2%	5%	10%
	1,000–3,000	\$12,373	-7.5%	10%	-5%	10%	10%	2.5%	2.5%	2%	5%	10%
	>3000	\$17,041	-7.5%	10%	-5%	10%	10%	2.5%	2.5%	2%	5%	10%
Urban Roads	<500	\$13,614	-7.5%	10%	-2.5%	5%	5%	2.5%	2.5%	0%	2%	5%
	500–1,000	\$21,172	-7.5%	10%	-2.5%	5%	5%	2.5%	2.5%	0%	2%	5%
	1,000–5,000	\$33,658	-7.5%	10%	-5%	10%	10%	2.5%	2.5%	0%	2%	5%
	5,000–10,000	\$61,049	-7.5%	10%	-5%	10%	10%	2.5%	2.5%	0%	2%	5%
	>10,000	\$104,340	-7.5%	10%	-5%	10%	10%	2.5%	2.5%	0%	2%	5%

The roads expenditure assessment for each local government is calculated according to base costs per kilometre, considering traffic volumes against rural and urban roads (Table 3). Additionally, there is an allowance made for heavy vehicles, as per Table 4. Average maintenance costs are also applied to areas of bridges, floodways and culverts (Table 5). The commission receives advice from the Department of Transport and Main Roads on a regular basis for these base costs, which include an allowance for gravel availability and cartage.

Cost adjustors are also applied to the roads assessment calculations. Table 3 outlines the base costs per kilometre and the cost adjustors used in the roads assessment.

Across Queensland, the on-cost factors increased road expenditure assessments by 4.6 per cent for 2021-22 General Purpose Grants. Further detail on the cost adjustors is outlined below:

- **Climate** - represents the impact on maintenance for roads due to rainfall and other climate factors. It is based on the Thornthwaite Index and applied on a sliding scale.
  - adverse effect—increase in expenditure up to maximum of 25 per cent
  - favourable effect—decrease in expenditure up to maximum of 10 per cent.
- **Soil sub-grade:** - represents the additional costs due to reactive soils for roads expenditure.
  - reactive or poor soils—increase in expenditure up to maximum of 10 per cent
  - good soil—decrease in expenditure up to maximum of five per cent.
- **Population density** - captures the additional costs for maintenance activity that occurs in remote and less populated areas. Lower density increases costs up to maximum of 10 per cent.

- **Terrain**—represents the additional costs to road maintenance due to the terrain of the area.
  - undulating terrain—increase in expenditure up to a maximum of two per cent
  - hilly terrain—increase in expenditure up to a maximum of five per cent
  - mountainous terrain—increase in expenditure up to a maximum of 10 per cent.

**Table 4: Allowances for heavy vehicles**

Class of vehicle	Allowance
Car	1 vehicle
Light to medium trucks, two axles	3 vehicles
Heavy rigid and/or twin steer tandem	4 vehicles
Semi-trailers	5 vehicles
B-doubles	6 vehicles
Road trains	8 vehicles

**Table 5: Assessment amounts for other road structures**

Bridges and Hydraulics	
Area of Bridges (m <sup>2</sup> ): Timber	\$32
Area of Bridges (m <sup>2</sup> ): Concrete	\$15
Area of Bridges (m <sup>2</sup> ): Other	\$18
Number of Minor Culverts (<6m)	\$73
Number of Major Culverts (>6m)	\$439
Area of Floodways (m <sup>2</sup> )	\$0.61

### 2.3.3 Cost adjustors

A significant part of the methodology is the application of cost adjustors. These are indices that adjust the expenditure totals for each local government in recognition of the additional costs in delivering core services and reflect factors outside council control. Refer to Table 2 for details of the application of the cost adjustors to the different expenditure categories and Appendix 4 for each council's individual cost adjustors.

**Scale:** Recognises economies of scale which may be achieved by larger councils. The formula uses a scale from one to two based on the average local government population for that year. This means that this cost adjustor is based around a dynamic average rather than a fixed threshold. Councils above average size do not receive a scale cost adjustor benefit. Councils below average size receive a score based on a sliding scale.

**Demography:** Represents the additional use of facilities and increased service requirements due to the composition of the population according to age and Indigenous descent. These are calculated on a sliding scale from one to two reflecting the proportion of Indigenous, aged and young residents.

**Location:** Represents the additional costs in the provision of services related to the council location and is based on the Accessibility/Remoteness Index for Areas (ARIA). ARIA is an

index of remoteness derived from measures of road distance between populated localities and service centres.

Since 2018–19 the location cost adjustor is a scale between one and two and a half.

### **2.3.4 Scaling back: Matching available funding**

For the 2021-22 General Purpose Grant calculation, the overall assessed expenditure figure used was \$8.49 billion, while the equivalent assessed revenue amount was \$7.57 billion. After each council was allocated the minimum grant, some \$260.4 million of the General Purpose Grant funding pool remained unallocated to meet a \$0.81 billion deficit.

Given that the General Purpose Grant pool is less than the assessed needs of all councils combined, the commission must apportion, or scale back, the available funds to councils. There are two methods for this: the equalisation method and the proportional method. The commission regards a combination of the two as fulfilling the national principle of horizontal fiscal equalisation. The two methods are each given a 50 per cent weighting in the grant outcomes. Under the proportional method, each council's funding is reduced by the same proportion. Under the equalisation method, the General Purpose Grant is allocated so that assessed revenue together with the General Purpose Grant equals the same proportion of assessed expenditure for all deficit councils.

More information on the scaling back process is contained in Section 5 of the General Purpose Grant Methodology Review Information Paper available on the commission's website.

## 2.4 Identified Road Grant methodology

The Identified Road Grant component of the Financial Assistance Grant is a relatively simple calculation, intended for the preservation of existing road assets. It is not designed to be a direct capital subsidy for a particular road construction project. The Identified Road Grant is an untied grant and may be used for any legitimate council purpose.

The following formula, which considers council-controlled road length and population, is used:

- 62.85 per cent allocated according to council road length
- 37.15 per cent allocated according to local government area population.

Based on 2019-20 data, there were 150,433 km of council-controlled roads in Queensland. Estimated residential population data supplied by the Australian Bureau of Statistics in 2020 indicated that Queensland's population (excluding Weipa) was 5,171,741.

As an example, a council with 1,000 km of road and 2,000 residents would receive an Identified Road Grant entitlement of:

$$\left\{ \left[ 0.6285 \times \left( \frac{1,000}{150,433} \right) \right] + \left[ 0.3715 \times \left( \frac{2,000}{5,171,741} \right) \right] \right\} \times \$153,014,481 = \$661,268$$

For the 2021-22 Identified Road Grant, the amounts per kilometre of road and per capita are \$639.29 and \$10.99 respectively. Note that final amounts will vary slightly, in line with the Commonwealth Government's annual cash adjustment (see below).

Note also that the Identified Road Grant formula is also the basis on which the Commonwealth Government allocates its Roads to Recovery funding to councils. For this reason, it is imperative that each council provides the most accurate and up-to-date road data to the commission.

## 2.5 Cash adjustment

Each July, the Commonwealth Government uses estimates of the Australian Bureau of Statistics' consumer price index (applied to both components of the grant) and the anticipated population growth for the next year (applied to the General Purpose Grant only) in determining the General Purpose Grant and Identified Road Grant funding pools for the coming year.

At the completion of the financial year, final consumer price index and population figures are available. Based on these figures, the Commonwealth Government makes a retrospective cash adjustment to each state's funding pool which is applied to the coming year's grant. In July 2021, the Commonwealth Government provided an adjustment to the Financial Assistance Grant, based on the final consumer price index and population figures for the previous year.



## Appendices

### Appendix 1: 2021-22 Financial Assistance Grant outcomes

Council	General Purpose Grant			Identified Road Grant			Total Financial Assistance Grant
	2021-22 Entitlement	Cash Adjustment	Total Cash	2021-22 Entitlement	Cash Adjustment	Total Cash	2021-22 Total Cash
Aurukun	2,182,712	26,597	2,209,309	94,969	1,404	96,373	2,305,682
Balonne	4,426,006	52,571	4,478,577	1,712,829	25,129	1,737,958	6,216,535
Banana	4,674,374	60,054	4,734,428	2,624,148	39,573	2,663,721	7,398,149
Barcaldine	5,879,436	70,600	5,950,036	1,940,471	28,462	1,968,933	7,918,969
Barcoo	2,960,706	35,167	2,995,873	1,058,988	15,527	1,074,515	4,070,388
Blackall-Tambo	3,212,991	38,392	3,251,383	1,213,822	17,805	1,231,627	4,483,010
Bouli	2,418,535	28,848	2,447,383	854,180	12,525	866,705	3,314,088
Brisbane	27,469,507	331,612	27,801,119	17,685,873	259,433	17,945,306	45,746,425
Bulloo	6,562,252	77,945	6,640,197	1,283,407	18,817	1,302,224	7,942,421
Bundaberg	5,838,501	69,349	5,907,850	3,020,501	44,408	3,064,909	8,972,759
Burdekin	2,751,006	32,676	2,783,682	921,514	13,557	935,071	3,718,753
Burke	2,807,764	33,350	2,841,114	459,700	6,741	466,441	3,307,555
Cairns	3,634,890	44,126	3,679,016	2,721,338	39,965	2,761,303	6,440,319
Carpentaria	4,537,709	53,898	4,591,607	1,084,262	15,903	1,100,165	5,691,772
Cassowary Coast	2,970,314	35,281	3,005,595	1,115,666	16,153	1,131,819	4,137,414
Central Highlands	7,572,920	89,950	7,662,870	3,245,575	47,831	3,293,406	10,956,276
Charters Towers	4,128,895	49,547	4,178,442	2,553,744	37,388	2,591,132	6,769,574
Cherbourg	961,591	11,422	973,013	60,063	883	60,946	1,033,959
Cloncurry	4,850,848	59,261	4,910,109	1,024,547	15,036	1,039,583	5,949,692
Cook	9,268,785	110,093	9,378,878	1,924,885	28,178	1,953,063	11,331,941
Croydon	3,837,724	45,584	3,883,308	698,673	10,244	708,917	4,592,225
Diamantina	2,636,798	31,513	2,668,311	681,424	9,992	691,416	3,359,727
Doomadgee	1,672,852	19,870	1,692,722	89,100	1,309	90,409	1,783,131
Douglas	1,271,964	15,108	1,287,072	419,782	6,177	425,959	1,713,031
Etheridge	5,006,201	59,463	5,065,664	1,129,391	16,560	1,145,951	6,211,615
Flinders	6,541,875	77,703	6,619,578	1,294,547	18,982	1,313,529	7,933,107

Council	General Purpose Grant			Identified Road Grant			Total Financial Assistance Grant
	2021-22 Entitlement	Cash Adjustment	Total Cash	2021-22 Entitlement	Cash Adjustment	Total Cash	2021-22 Total Cash
Fraser Coast	5,534,792	65,741	5,600,533	2,874,878	42,119	2,916,997	8,517,530
Gladstone	6,121,062	72,705	6,193,767	2,364,701	34,637	2,399,338	8,593,105
Gold Coast	13,706,518	164,094	13,870,612	9,039,518	133,812	9,173,330	23,043,942
Goondiwindi	4,450,755	57,181	4,507,936	1,706,875	25,049	1,731,924	6,239,860
Gympie	3,818,579	45,356	3,863,935	2,052,824	30,068	2,082,892	5,946,827
Hinchinbrook	1,556,666	18,490	1,575,156	560,027	8,245	568,272	2,143,428
Hope Vale	1,654,291	19,649	1,673,940	96,916	1,420	98,336	1,772,276
Ipswich	4,959,728	58,788	5,018,516	3,644,435	52,785	3,697,220	8,715,736
Isaac	3,485,917	41,405	3,527,322	2,310,906	33,918	2,344,824	5,872,146
Kowanyama	1,649,904	20,432	1,670,336	236,346	3,466	239,812	1,910,148
Livingstone	3,108,850	36,926	3,145,776	1,385,555	19,964	1,405,519	4,551,295
Lockhart River	1,872,983	22,247	1,895,230	121,417	1,781	123,198	2,018,428
Lockyer Valley	3,488,634	41,437	3,530,071	1,408,158	20,403	1,428,561	4,958,632
Logan	7,379,550	88,420	7,467,970	5,376,731	78,082	5,454,813	12,922,783
Longreach	6,408,518	76,119	6,484,637	1,794,199	26,324	1,820,523	8,305,160
Mackay	3,150,183	40,472	3,190,655	2,899,875	42,827	2,942,702	6,133,357
Mapoon	1,363,346	16,194	1,379,540	40,805	589	41,394	1,420,934
Maranoa	13,694,454	167,374	13,861,828	3,860,257	56,622	3,916,879	17,778,707
Mareeba	6,833,427	81,166	6,914,593	1,726,988	25,278	1,752,266	8,666,859
McKinlay	4,753,138	56,457	4,809,595	1,052,996	15,439	1,068,435	5,878,030
Moreton Bay	10,349,927	124,149	10,474,076	7,767,401	111,727	7,879,128	18,353,204
Mornington	2,496,208	30,026	2,526,234	114,537	1,682	116,219	2,642,453
Mount Isa	5,693,903	67,631	5,761,534	1,503,863	22,099	1,525,962	7,287,496
Murweh	5,599,411	68,840	5,668,251	1,824,871	26,778	1,851,649	7,519,900
Napranum	1,572,787	18,681	1,591,468	122,676	1,798	124,474	1,715,942
Noosa	1,221,067	14,775	1,235,842	1,181,346	17,345	1,198,691	2,434,533
North Burnett	8,846,600	112,848	8,959,448	2,803,737	40,907	2,844,644	11,804,092
Northern Peninsula Area	4,528,628	53,790	4,582,418	267,496	3,920	271,416	4,853,834
Palm Island	2,012,036	23,899	2,035,935	56,990	840	57,830	2,093,765
Paroo	4,415,309	53,265	4,468,574	1,524,512	22,356	1,546,868	6,015,442
Pormpuraaw	1,668,808	19,822	1,688,630	299,643	4,394	304,037	1,992,667
Quilpie	3,989,680	47,601	4,037,281	1,339,496	19,641	1,359,137	5,396,418

Council	General Purpose Grant			Identified Road Grant			Total Financial Assistance Grant
	2021-22 Entitlement	Cash Adjustment	Total Cash	2021-22 Entitlement	Cash Adjustment	Total Cash	2021-22 Total Cash
Redland	3,459,715	41,998	3,501,713	2,540,916	37,273	2,578,189	6,079,902
Richmond	2,960,181	35,373	2,995,554	838,087	12,289	850,376	3,845,930
Rockhampton	6,721,543	80,269	6,801,812	2,197,754	32,912	2,230,666	9,032,478
Scenic Rim	1,959,106	23,270	1,982,376	1,642,359	24,073	1,666,432	3,648,808
Somerset	2,229,544	26,482	2,256,026	1,479,830	21,757	1,501,587	3,757,613
South Burnett	4,751,813	61,049	4,812,862	2,273,327	33,395	2,306,722	7,119,584
Southern Downs	4,153,163	53,357	4,206,520	2,369,035	34,793	2,403,828	6,610,348
Sunshine Coast	7,260,803	86,852	7,347,655	5,597,733	81,610	5,679,343	13,026,998
Tablelands	5,062,931	62,759	5,125,690	1,463,514	21,488	1,485,002	6,610,692
Toowoomba	8,219,008	97,623	8,316,631	6,121,776	89,967	6,211,743	14,528,374
Torres	3,889,252	46,196	3,935,448	234,276	3,439	237,715	4,173,163
Torres Strait Island	11,952,698	141,972	12,094,670	234,635	3,441	238,076	12,332,746
Townsville	4,246,664	51,576	4,298,240	3,328,529	48,751	3,377,280	7,675,520
Western Downs	11,386,324	146,284	11,532,608	5,150,408	75,535	5,225,943	16,758,551
Whitsunday	4,498,736	53,435	4,552,171	1,533,070	22,475	1,555,545	6,107,716
Winton	4,327,875	51,406	4,379,281	1,603,013	23,508	1,626,521	6,005,802
Woorabinda	923,639	11,023	934,662	46,909	694	47,603	982,265
Wujal Wujal	909,514	10,803	920,317	14,980	220	15,200	935,517
Yarrabah	1,620,716	19,251	1,639,967	69,956	1,055	71,011	1,710,978
<b>Total</b>	<b>371,996,040</b>	<b>4,486,938</b>	<b>376,482,978</b>	<b>153,014,481</b>	<b>2,242,972</b>	<b>155,257,453</b>	<b>531,740,431</b>

## Appendix 2: History of the Commission and the Financial Assistance Grant in Queensland

The commission was established in 1977 following the enactment of Queensland's *Local Government Grants Commission Act 1976*. Its principal responsibility is to make recommendations concerning the distribution of certain financial assistance to local governing bodies. Until 1986–87, the commission made recommendations on the distribution of the General Assistance Grant to local government provided in accordance with the *Local Government (Personal Income Tax Sharing) Act 1976* (Commonwealth).

The *Local Government (Financial Assistance) Act 1986* (Commonwealth) came into force on 1 July 1986. It replaced the *Local Government (Personal Income Tax Sharing) Act 1976* (Commonwealth). The 1986 Act required that states develop principles on which the distribution methodology would be based, in line with the requirements of that Act, and submit those principles to the Commonwealth Government Minister for approval.

The *Local Government (Financial Assistance) Act 1995* (Commonwealth) came into force on 1 July 1995. National principles were adopted in lieu of separate state principles.

These continued the main thrust of the 1986 Act by:

- maintaining the principle of full horizontal fiscal equalisation
- continuing the statutory minimum grant which is equal to what a local governing body would receive if 30 per cent of the State entitlement was distributed on a per capita basis

The commission's primary role since 1987–88 has been to make recommendations on the distribution of Financial Assistance Grants provided by the Commonwealth Government under the legislation. These are untied general purpose grants.

Since 1991–92, there have been two separately identified components to the Financial Assistance Grant:

- General Purpose Grant
- Identified Road Grant.

In December 1993, the *Local Government Act 1993* was enacted and the *Local Government Grants Commission Act 1976* repealed. Provisions relating to the establishment and operation of the Local Government Grants Commission were included in the *Local Government Act 1993*.

From 1 July 2010, the *Local Government Act 1993* was replaced by the *Local Government Act 2009*. The commission's statutory powers now come under the *Local Government Act 2009* and the *Local Government Regulation 2012*. It states:

1. The commission is a body that is created under this Act to perform the responsibilities of a local government grants commission under the *Local Government (Financial Assistance) Act 1995*.
2. The commission and the Minister for Local Government must comply with the *Local Government (Financial Assistance) Act 1995* (Commonwealth).

### Appendix 3: Data used in grant calculation for 2021-22

Council	Total Number of Properties	Total Valuation (5 year average)	Population Data	Road Length (km)		
				Urban	Rural	Total
Aurukun			1,370	17	108	125
Balonne	2,105	457,530,580	4,321	67	2,538	2,605
Banana	6,449	1,624,301,172	14,065	156	3,707	3,863
Barcaldine	1,764	527,687,126	2,814	66	2,921	2,987
Barcoo	185	60,234,880	263	16	1,636	1,652
Blackall-Tambo	1,141	334,023,680	1,845	41	1,826	1,867
Bouli	148	65,779,214	416	11	1,318	1,329
Brisbane	334,999	203,925,380,170	1,272,999	5,777	1	5,778
Bulloo	178	45,226,506	324	14	1,988	2,002
Bundaberg	41,565	5,828,210,494	96,364	716	2,352	3,068
Burdekin	8,287	1,064,997,964	16,953	181	969	1,150
Burke	151	56,618,280	354	10	703	713
Cairns	52,831	13,041,226,492	168,449	946	415	1,361
Carpentaria	726	163,184,980	1,970	55	1,607	1,662
Cassowary Coast	14,582	1,817,100,359	29,964	209	1,021	1,230
Central Highlands	11,756	2,396,939,392	28,727	402	4,181	4,583
Charters Towers	5,388	793,225,508	11,731	137	3,656	3,793
Cherbourg			1,335	12	59	71
Cloncurry	1,202	183,652,520	3,004	65	1,486	1,551
Cook	2,081	298,024,418	4,595	95	2,837	2,932
Croydon	166	38,788,280	285	46	1,042	1,088
Diamantina	115	43,294,700	286	24	1,037	1,061
Doomadgee			1,534	15	98	113
Douglas	5,446	1,468,102,460	12,426	100	343	443
Etheridge	466	124,753,700	794	53	1,700	1,753
Flinders	1,010	281,196,960	1,512	45	1,954	1,999

Council	Total Number of Properties	Total Valuation (5 year average)	Population Data	Road Length (km)		
				Urban	Rural	Total
Fraser Coast	46,938	6,808,061,746	108,183	929	1,708	2,637
Gladstone	27,635	4,138,045,169	63,861	494	2,107	2,601
Gold Coast	148,162	82,480,399,250	635,191	2,704	515	3,219
Goondiwindi	4,924	1,127,548,580	10,817	138	2,346	2,484
Gympie	24,341	3,323,172,646	52,935	331	1,970	2,301
Hinchinbrook	6,398	801,272,547	10,645	92	601	693
Hope Vale			1,140	14	118	132
Ipswich	77,208	15,427,983,667	229,845	1,176	573	1,749
Isaac	9,142	2,012,639,576	20,987	197	3,057	3,254
Kowanyama			1,003	8	345	352
Livingstone	15,961	2,782,700,981	38,617	275	1,229	1,503
Lockhart River			810	11	165	176
Lockyer Valley	16,656	2,528,611,919	42,267	266	1,210	1,476
Logan	102,750	28,582,566,597	341,985	1,517	1,014	2,531
Longreach	1,821	339,199,645	3,407	90	2,658	2,748
Mackay	46,609	8,106,967,450	117,902	690	1,819	2,509
Mapoon			339	18	40	58
Maranoa	6,402	1,999,978,958	12,688	167	5,653	5,820
Mareeba	9,045	1,509,758,649	23,116	200	2,104	2,304
Mckinlay	467	195,682,080	823	28	1,605	1,633
Moreton Bay	151,609	44,540,838,727	479,639	2,455	1,449	3,904
Mornington			1,231	14	144	158
Mount Isa	6,135	720,186,120	18,578	161	1,872	2,033
Murweh	2,235	274,149,456	4,220	81	2,701	2,782
Napranum			1,099	14	159	173
Noosa	21,861	8,777,512,992	56,587	324	551	875
North Burnett	6,118	784,899,774	10,656	136	4,067	4,203
Northern Peninsula Area			3,224	31	332	363

Council	Total Number of Properties	Total Valuation (5 year average)	Population Data	Road Length (km)		
				Urban	Rural	Total
Palm Island			2,684	35	8	43
Paroo	982	102,418,620	1,554	51	2,307	2,358
Pormpuraaw			856	10	444	454
Quilpie	534	58,615,458	774	44	2,038	2,082
Redland	60,606	19,021,140,465	160,331	763	455	1,218
Richmond	447	154,302,280	813	16	1,281	1,297
Rockhampton	33,207	4,507,162,783	81,999	667	1,361	2,028
Scenic Rim	17,752	4,482,319,458	43,625	220	1,599	1,819
Somerset	11,549	2,138,388,130	26,279	169	1,694	1,863
South Burnett	16,880	1,614,630,777	32,632	212	2,783	2,995
Southern Downs	17,989	2,245,391,335	35,407	259	2,838	3,097
Sunshine Coast	106,788	34,491,198,729	336,482	1,414	1,557	2,971
Tablelands	12,272	2,138,067,440	25,667	349	1,499	1,848
Toowoomba	66,414	15,354,274,974	170,356	1,106	5,541	6,647
Torres	488	171,813,260	3,924	108	191	299
Torres Strait Island			5,178	94	184	278
Townsville	69,274	13,145,225,457	196,800	1,218	605	1,823
Western Downs	17,693	3,202,798,879	34,579	332	7,130	7,462
Whitsunday	14,775	2,602,303,232	35,927	331	1,449	1,780
Winton	711	216,233,950	1,135	21	2,467	2,488
Woorabinda			995	10	47	56
Wujal Wujal			316	5	13	18
Yarrabah			2,933	24	35	59

#### Appendix 4: Cost adjustors by definition for 2021-22

Local government	Scale	Indigenous	Aged <19	Aged >65	Indigenous >50	Demography (FINAL)	Location
Aurukun	1.70	1.42	1.18	1.02	1.07	1.84	2.39
Balonne	1.50	1.08	1.14	1.08	1.02	1.23	2.02
Banana	1.28	1.02	1.14	1.08	1.00	1.09	1.30
Barcaldine	1.57	1.03	1.12	1.10	1.01	1.12	2.26
Barcoo	2.00	1.06	1.08	1.10	1.02	1.12	2.48
Blackall-Tambo	1.65	1.03	1.13	1.11	1.01	1.15	2.28
Bouli	1.92	1.14	1.13	1.06	1.02	1.26	2.35
Brisbane	1.00	1.01	1.12	1.06	1.00	1.00	1.00
Bulloo	1.96	1.06	1.10	1.09	1.01	1.12	2.43
Bundaberg	1.00	1.02	1.12	1.12	1.00	1.12	1.18
Burdekin	1.25	1.03	1.12	1.11	1.01	1.13	1.26
Burke	1.95	1.19	1.11	1.06	1.04	1.36	2.37
Cairns	1.00	1.04	1.13	1.07	1.01	1.10	1.00
Carpentaria	1.64	1.21	1.13	1.07	1.05	1.44	2.41
Cassowary Coast	1.15	1.05	1.12	1.10	1.01	1.16	1.26
Central Highlands	1.15	1.02	1.15	1.04	1.00	1.06	1.90
Charters Towers	1.31	1.04	1.14	1.10	1.01	1.18	1.38
Cherbourg	1.71	1.47	1.24	1.02	1.07	2.00	1.51
Cloncurry	1.56	1.12	1.13	1.05	1.03	1.23	2.13
Cook	1.48	1.10	1.12	1.09	1.02	1.22	2.34
Croydon	1.99	1.08	1.12	1.07	1.02	1.17	2.41
Diamantina	1.98	1.08	1.08	1.06	1.01	1.06	2.49
Doomadgee	1.68	1.43	1.25	1.01	1.05	1.90	2.29
Douglas	1.30	1.04	1.11	1.09	1.01	1.09	1.57
Etheridge	1.80	1.03	1.13	1.11	1.01	1.15	2.32
Flinders	1.68	1.03	1.12	1.10	1.01	1.12	2.23



Local government	Scale	Indigenous	Aged <19	Aged >65	Indigenous >50	Demography (FINAL)	Location
Fraser Coast	1.00	1.02	1.11	1.14	1.00	1.14	1.18
Gladstone	1.01	1.02	1.15	1.06	1.00	1.07	1.37
Gold Coast	1.00	1.01	1.12	1.08	1.00	1.04	1.00
Goondiwindi	1.33	1.03	1.14	1.09	1.00	1.13	1.79
Gympie	1.04	1.02	1.12	1.12	1.00	1.12	1.23
Hinchinbrook	1.33	1.03	1.11	1.14	1.01	1.17	1.26
Hope Vale	1.74	1.39	1.18	1.03	1.06	1.79	2.29
Ipswich	1.00	1.02	1.15	1.05	1.00	1.06	1.00
Isaac	1.21	1.02	1.15	1.03	1.00	1.03	1.80
Kowanyama	1.76	1.43	1.18	1.02	1.07	1.85	2.46
Livingstone	1.10	1.02	1.12	1.09	1.00	1.10	1.47
Lockhart River	1.80	1.39	1.18	1.04	1.05	1.78	2.49
Lockyer Valley	1.08	1.02	1.13	1.08	1.00	1.08	1.26
Logan	1.00	1.01	1.15	1.06	1.00	1.06	1.00
Longreach	1.54	1.03	1.12	1.09	1.01	1.09	2.35
Mackay	1.00	1.03	1.14	1.07	1.00	1.08	1.00
Mapoon	1.95	1.41	1.15	1.04	1.09	1.84	2.34
Maranoa	1.30	1.04	1.14	1.08	1.01	1.12	1.94
Mareeba	1.19	1.06	1.12	1.10	1.01	1.17	1.88
Mckinlay	1.79	1.02	1.11	1.07	1.00	1.04	2.36
Moreton Bay	1.00	1.01	1.13	1.08	1.00	1.07	1.00
Mornington	1.72	1.40	1.19	1.02	1.07	1.81	3.50
Mount Isa	1.23	1.08	1.15	1.04	1.01	1.17	2.14
Murweh	1.50	1.06	1.14	1.08	1.01	1.19	2.21
Napranum	1.74	1.41	1.20	1.02	1.07	1.85	2.30
Noosa	1.03	1.01	1.11	1.13	1.00	1.09	1.26
North Burnett	1.33	1.03	1.11	1.12	1.01	1.15	1.68
Northern Peninsula Area	1.55	1.38	1.22	1.02	1.05	1.79	3.50
Palm Island	1.58	1.43	1.20	1.02	1.07	1.87	1.96

Local government	Scale	Indigenous	Aged <19	Aged >65	Indigenous >50	Demography (FINAL)	Location
Paroo	1.68	1.15	1.12	1.10	1.03	1.35	2.28
Pormpuraaw	1.79	1.37	1.18	1.03	1.07	1.77	2.48
Quilpie	1.81	1.09	1.14	1.06	1.02	1.20	2.43
Redland	1.00	1.01	1.13	1.09	1.00	1.07	1.00
Richmond	1.80	1.03	1.12	1.07	1.01	1.08	2.41
Rockhampton	1.00	1.04	1.14	1.08	1.01	1.12	1.38
Scenic Rim	1.08	1.01	1.13	1.10	1.00	1.10	1.26
Somerset	1.17	1.02	1.13	1.10	1.00	1.11	1.26
South Burnett	1.13	1.03	1.12	1.12	1.00	1.15	1.50
Southern Downs	1.12	1.02	1.12	1.12	1.00	1.14	1.26
Sunshine Coast	1.00	1.01	1.12	1.10	1.00	1.07	1.00
Tablelands	1.17	1.04	1.12	1.12	1.01	1.16	1.56
Toowoomba	1.00	1.02	1.13	1.09	1.00	1.10	1.26
Torres	1.51	1.32	1.17	1.03	1.06	1.64	3.50
Torres Strait Island	1.46	1.40	1.19	1.03	1.06	1.83	5.00
Townsville	1.00	1.03	1.13	1.06	1.00	1.08	1.00
Western Downs	1.12	1.03	1.15	1.08	1.00	1.12	1.38
Whitsunday	1.11	1.02	1.11	1.08	1.00	1.05	1.75
Winton	1.74	1.05	1.10	1.10	1.01	1.12	2.39
Woorabinda	1.76	1.46	1.22	1.03	1.07	1.97	1.68
Wujal Wujal	1.97	1.41	1.15	1.04	1.10	1.85	2.29
Yarrabah	1.56	1.42	1.22	1.02	1.07	1.90	1.54