

LOCAL GOVERNMENT PORTFOLIO

1. With regard to the reported 76 projects funded through the Growing Suburbs Fund:

a. What proportion of expenditure from the fund will be spent on renewing existing assets, as against the procurement of new assets?

RESPONSE:

The Growing Suburbs Fund sought applications for projects that either upgraded existing assets, expanded existing assets, or delivered a new asset. The fund was designed to deliver improved or new assets suitable for community use rather than provide funding for traditional asset renewal (refurbishment of existing assets to 'as new' condition). 68.5% of the total funding allocated will enable councils to expand or upgrade their existing assets.

b. What processes does the Department have in place to ensure that expenditure on asset renewal is as intended?

RESPONSE:

The Department has a dedicated team overseeing the design, implementation and management of the Growing Suburbs Fund. This team is highly experienced in managing government grant programs. The Department has executed funding agreements for all 76 projects that ensure that all approved funding is expended as per the original application. The team regularly meet with the relevant councils and visit all funded sites to check the progress of the projects. The team has worked to establish a partnership approach to delivery, working closely with councils to assist where needed and this approach ensures that councils continue to deliver what they have promised to deliver.

The following questions were submitted to the Chair from PAEC Members who were absent from the hearings:

2. Why was funding for the Growing Suburbs Fund effectively halved from the \$50 million per year in 2015-16 and 2016-17 to \$25 million per year in 2017-18 and 2018-19? Please explain the relationship between the *Interface Growth Fund* and the *Growing Suburbs Fund*.

RESPONSE

The 2017-18 Victorian Budget committed another \$50 million for the Growing Suburbs Fund. To ensure that the ten interface councils can continue to deliver their current program of work to deliver projects funded in the first two years we have phased the additional \$50 million over two years. This will enable councils to better plan and deliver infrastructure projects that matter for their communities.

In the 2015-16 Victorian Budget the government announced an initial \$50 million investment in the Interface Growth Fund, following the additional \$50 million budget allocation in 2016-17 the fund was renamed to the Growing Suburbs Fund. The name changed only to serve for better community understanding of the Fund.

3. Has the Department conducted an analysis of the impact on provision of infrastructure this will have for growth areas?

RESPONSE

The Department has recently concluded a mid-term evaluation of the 2015 and 2016 funding rounds. To date, 76 projects have been funded and 20 projects have been completed and are now accessible to their communities. This government's investment of \$100 million has already improved access to critical community services.

Thanks to this investment our growing suburbs to date have five new or upgraded maternal and child health services, an additional 392 kindergarten places, a redeveloped centre supporting aged care services and state of the art playgrounds. These facilities are not only providing opportunities for children and families to play and learn but these are also creating local economic benefits for traders in the immediate vicinity.

In addition, six new or enhanced sport and recreation facilities have been completed to date, many in partnership with Sport and Recreation Victoria, expanding opportunities for increased participation, particularly female participation. The Department will continue to work with councils to deliver the remainder projects funded and future projects.