

VERIFIED VERSION

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into budget estimates 2012–13

Melbourne — 18 May 2012

Members

Mr N. Angus

Mr P. Davis

Ms J. Hennessy

Mr D. Morris

Mr D. O'Brien

Mr M. Pakula

Mr R. Scott

Chair: Mr P. Davis

Deputy Chair: Mr M. Pakula

Staff

Executive Officer: Ms V. Cheong

Witnesses

Mrs J. Powell, Minister for Local Government,

Mr A. Tongue, Secretary,

Mr G. Forck, Chief Finance Officer,

Ms S. Jaquinot, Deputy Secretary, Local Government and Community Development, Department of Planning and Community Development; and

Ms K. Pope, Director, Sector Development, Local Government Victoria.

**Necessary corrections to be notified to
executive officer of committee**

The CHAIR — I declare open the Public Accounts and Estimates Committee hearing on the 2012–13 budget estimates for the portfolios of Local Government and Aboriginal Affairs. On behalf of the committee I welcome the Honourable Jeanette Powell, MP, Minister for Local Government and Minister for Aboriginal Affairs, and from the Department of Planning and Community Development: Mr Andrew Tongue, secretary; Mr Greg Forck, chief finance officer; Ms Sue Jaquinot, deputy secretary, local government and community development; and Ms Kendrea Pope, director, sector development, Local Government Victoria.

Members of Parliament, departmental officers, members of the public and the media are also welcome.

In accordance with the guidelines for public hearings, I remind members of the public gallery that they cannot participate in any way in the committee's proceedings. Only officers of the PAEC secretariat are to approach PAEC members. Departmental officers, as requested by the minister or her chief of staff, can approach the table during the hearing to provide information to the minister, by leave of myself as Chairman. Written communication to witnesses can only be provided via officers of the PAEC secretariat. Members of the media are also requested to observe the guidelines for filming or recording proceedings in the Legislative Council committee room, and no more than two TV cameras are allowed at any one time in the allocated spaces. May I remind TV camera operators to remain focused only on the persons speaking and that panning of the public gallery, committee members and witnesses is strictly prohibited.

As previously advised to witnesses here today, I am pleased to announce that these hearings are being webcast live on the Parliament's website.

All evidence taken by this committee is taken under the provisions of the Parliamentary Committees Act, attracts parliamentary privilege and is protected from judicial review. However, any comments made outside the precincts of the hearing are not protected by parliamentary privilege. This committee has determined that there is no need for evidence to be sworn; however, witnesses are reminded that all questions must be answered in full and with accuracy and truthfulness. Any persons found to be giving false or misleading evidence may be in contempt of Parliament and subject to penalty.

All evidence given today is being recorded. Witnesses will be provided with proof versions of the transcript to be verified and returned within two working days of this hearing. Unverified transcripts and PowerPoint presentations will be placed on the committee's website immediately following receipt, to be replaced by verified transcripts within five days of receipt.

Following a presentation by the minister, committee members will ask questions relating to the inquiry. Generally, the procedure followed will be that relating to questions in the Legislative Assembly.

I ask that all mobile telephones be turned off.

I now call on the minister to give a brief presentation of no more than 5 minutes on the more complex financial and performance information that relates to the budget estimates for the local government portfolio.

Mr MORRIS — Mr Chairman, just before we start, could I just remind the committee that I have another role as Parliamentary Secretary for Local Government.

The CHAIR — Thank you, Mr Morris.

Mrs POWELL — Thank you, Chairman, for the opportunity to present to the PAEC today. It is an honour to be here as the Minister for Local Government. Most of you will be aware of my local government experience, which I bring to this portfolio and my support for local government. In the interests of time, my presentation will be in two parts: key achievements for 2011–12 and emerging issues and priorities for 2012–13. Each member of the committee has been provided with a copy of my slides, which I will speak to.

If we turn to slide 2, the statistics demonstrate the scale and diversity of local government. Local government, as you can see, is big business. The annual revenue is \$7.1 billion as at June 2011, and local government employs 44 300 people.

Slide 3: I will begin with the key achievements for 2011–12. In relation to electoral changes, in September 2011 legislation was passed moving local government elections forward to the fourth Saturday in October. This will allow councillors more time before their first budget and their council plan. In December 2011 legislation was

passed to make Melbourne subject to VEC electoral reviews like all other councils in Victoria. Twenty-eight councils, including Melbourne, have been reviewed ahead of the October 2012 elections. Legislation was passed in February 2012 fulfilling an election commitment to put in place a directly elected mayor for Geelong.

Slide 4: the Ministerial-Mayors Advisory Panel is proving to be a very valuable sounding board to provide perspectives on state legislation and regulatory and policy decisions which impact on local government. Already the mayors have provided valuable comment on the proposed renegotiation of the Victorian state local government agreement and some possible legislative changes.

In respect to flood and bushfire recovery, I am proud of the leadership shown by local government and local councils in responding to those natural disasters. The Victorian government continues to support recovery by continued assistance through the \$9.7 million Murrindindi assistance package, providing \$11.3 million over four years for the municipal fire and emergency management resourcing program as well as providing \$8.3 million over four years in this year's budget for the vulnerable people in emergencies program, which will be creating a register which will be accessible by police and agencies in emergencies.

Slide 5: in reference to the nationally funded Local Government Reform Fund, my department has supported the MAV in delivering a program to promote local government adoption of a national framework for asset management and financial sustainability. Under the state-funded local government reform fund, my department has delivered three complementary projects involving 34 councils to improve their business practices and processes. In addition, my department is delivering a program to promote better integration between asset management and financial planning. In relation to support for regional Victoria, the Victorian government is investing strongly in local government through the components of the Regional Growth Fund.

Slide 6: moving on to improvements in library services, the first bipartisan advisory council on public libraries, including the member for Mornington, who is at the table, and the members for Macedon and Mildura and 11 other stakeholder representatives, has commenced a comprehensive review of library services and funding. Under the public libraries capital works program, 10 projects were funded in the first round of the Living Libraries infrastructure program, and applications for the second round of funding closed on 11 May with about 30 applications received. The Premiers' Reading Challenge Book Fund saw \$1 million distributed to libraries in supporting participation by young readers.

Slide 7 shows information on investigations and audit carried out by the local government investigations and compliance inspectorate. This has been a highly effective unit, contributing to a more transparent and accountable local government sector. You will be aware of the announcement that the role is proposed to move to the Ombudsman in the context of the establishment of an IBAC. The inspectorate will stay in place until after the local government elections later on this year.

Moving to slide 8 on emerging issues and priorities for 2012–13, in response to the Auditor-General's report on performance reporting my department will be working with the sector on a mandatory performance reporting framework. In regard to the Victorian State-Local Government Agreement, I am about to commence discussions on the renegotiation of the agreement. In great news for public library services, the government is providing recurrent funding of \$36.8 million through the public libraries funding program in 2012–13. This includes an additional \$3.1 million in 2012–13 and 2013–14 to sustain funding levels while the comprehensive review of public library services and funding is completed.

My final slide is about the review of public libraries, which will commence with the second stage of work in early 2013, which will be focusing on the funding of library services.

On the subject of councillor conduct, I am looking at ways to address council concerns with existing panel arrangements, including the issue of VCAT costs.

Finally, in response to the report of the roadside weeds and pests working party, the government has allocated \$7.8 million in funding to support councils over three years.

Thank you, Chairman. That is my presentation.

The CHAIR — Thank you, Minister. I am having some asides here from my colleagues congratulating you on the brevity of your presentation compared with all those who have gone before.

Mr PAKULA — You are an example to your colleagues.

The CHAIR — Minister, we now have the remaining time until 9.30 for questions on the local government portfolio. I will ask: given the key growth and efficiency initiatives announced in the budget can you please outline for the committee the likely impact of the budget on enhancing service delivery, promoting productivity and achieving efficiency gains within your portfolio? In your response could you also indicate how you intend to monitor the portfolio's effectiveness in maximising improvements in these areas, and please inform the committee what you consider will be the likely impact on industry and/or community stakeholders in your portfolio of those initiatives?

Mrs POWELL — The key point I would like to make is that the budget is a clear demonstration of the government's commitment to long-term sustainability and ensuring that service delivery is improved and is more efficient. We have the same expectations for local government. Local government needs to be accountable for its performance and supported and encouraged to continually improve. One of those difficult decisions has been to defer the grant component of the Green Light program. The decision has also been made in consideration of the regulatory complexities that exist in the energy sector and the uncertainty around the impact of the carbon tax.

Communities will, however, benefit from the roadside weeds and pests management initiative that I spoke about briefly in my presentation. This \$7.8 million-over-three-years commitment is to support local governments to adhere to their responsibilities to manage invasive plants and animals on roadsides in line with state and regional priorities. I am encouraged that local councils are making efforts to discuss with their communities through the local government budget process how community needs can be properly prioritised and resources allocated more efficiently and effectively to improve the wellbeing of their own communities.

Discussions with local councils on a renewed Victorian State-Local Government Agreement are about to commence. I use this opportunity to talk to local councils about the challenges they face and the need to focus on productivity. I will talk in more detail about the Victorian State-Local Government Agreement and reporting framework shortly.

Proper strategic planning and budgeting ensures that local councils have every opportunity of delivering a more responsive service and more responsive programs. There is also a need to understand how well local councils are performing in delivering those services and programs. I am sure members of PAEC would agree that ratepayers have a reasonable expectation to be informed of local government performance in a robust and useful manner.

The state too has an interest in how local councils perform, especially when significant funding is being channelled through the local government sector to deliver on a range of state objectives ranging from home and community care services to emergency management responses and to cultural and recreational health and wellbeing programs. Local governments provide a huge array of services and programs to their communities. As I indicated in my presentation, I have asked the department to strengthen existing performance reporting requirements and to develop, together with the local government sector, a holistic mandatory performance reporting framework. Not only will this encompass service delivery performance measures, but it also provides information about how efficiently local councils are performing.

The performance reporting framework will be informed by the Auditor-General's findings and recommendations for improving local government performance reporting and the work previously undertaken by the Essential Services Commission. This will be no easy task, given the diversity of local government functions and the different operating circumstances that confront each of Victoria's 79 local councils. Performance reporting is not just about establishing if a local council has met its targets. It is also about how well they are performing in relation to other like councils. The results should provide councils with greater insight into how they can improve their own performance, including how they can learn from their peers who are delivering similar programs.

Better performance reporting also prevents the opportunity to focus local government's attention on the need for greater productivity. The difficult financial circumstances facing all governments puts pressure on their ability to respond to community needs with diminishing resources. I expect local councils will look at the performance reporting framework as an important source of information for helping them improve the way they do business

and engender a culture of continual improvement that puts Victorian councils in the best position to meet the expectations of their communities. What I would want from councils is to use the information as a basis for identifying areas for improvement, especially in service provision and council operations, making strategic decisions on what services to provide and how best to allocate their limited resources, engaging their communities in priority setting and establishing the sustainable levels of service provision, and driving organisational learning and innovation as councils prepare themselves for the challenges they will face ahead.

The need for an effective performance reporting framework will be part of my broader dialogue with the local government sector on the Victorian state-local government agreement. I think it is timely that the VSLGA is reviewed to see how it can better reflect the maturing of the relationship and can be a driver of reform and innovation. Finally, can I say that the VSLGA should demonstrate that the local government sector understands the performance expectations of the community and the state government and clearly highlight the level of commitment by both levels of government to robust performance reporting.

The CHAIR — I know that my deputy wants to ask questions about weeds, but I will allow him to do so.

Mr PAKULA — I do not, as it turns out, Chair. I actually want to ask the minister about the state's regulatory and legislative oversight of local government. You would be aware, Minister, that appendix B of budget paper 3 sets out the rates revenue, amounting to 69 per cent of all revenue obtained by council. As the minister would be aware, in recent times a number of local councils have imposed differential rates on legal businesses that operate within their municipality. Rather than just rating them on capital improved value, it is capital improved value plus whatever. I am just wondering if the government has any intention to legislate or in an other way act to prevent councils from engaging in that differential rating against businesses that in all legal senses operate legitimately within their municipalities.

Mrs POWELL — Thank you for the question, Mr Pakula, and, through you, Chair, I am aware that there have been some concerns raised in reports about some councils levying municipal rates for particular types of property and particular types of venues, fast-food outlets and the like. Councils do have the power, as you have suggested, to vary and to levy differential rates on the different types of classes, and that could include things like farmland, industry, industrial land, commercial land and the like. There are a number of checks and balances, though, that are provided to councils in the Local Government Act in regard to differential rates.

A council is required to specify the objectives of the differential rate, which must be consistent with the equitable and efficient carrying out of its functions — this is actually stipulated in the Local Government Act — and a council may not levy a differential rate that is more than four times the lowest rate levied by council, so there are some protections around there. There are various appeal mechanisms relating to the differential rates. A person may appeal to VCAT if they consider their property has been wrongly classified by the differential rate. A person can also appeal to the County Court for a review of a rate or charge that is imposed under the Act.

Mr PAKULA — Thank you, Chair, and I seek your indulgence given that we only have 30 minutes. I want to stay on the topic of the state's regulation of local government, but just slightly amended. Minister, in relation to your recent decision to extend the administration in Brimbank — —

The CHAIR — I think that is off the subject. It is not really a follow-up.

Mr PAKULA — I know, but we only get 30 minutes.

The CHAIR — You will get another question.

Mr PAKULA — I just wanted to ask if the independent — —

The CHAIR — Hang on. If you do not have a follow-up, then Mr Morris.

Mr MORRIS — Probably fortuitously for the deputy, I am interested in a similar subject. Minister, local government output — page 219, budget paper 3 — but more particularly the recent announcement and subsequent coverage on Brimbank City Council: can you provide the committee with some background to the announcement and advise whether there is any budgetary impact and perhaps also, to avoid a supplementary, can you indicate whether you plan to place any other councils in administration?

Mrs POWELL — Thank you, Mr Morris. I did announce yesterday that I intend to introduce a bill into Parliament at the earliest opportunity to extend the administration at the Brimbank City Council. The bill which dismissed the Brimbank council in 2009 provided that an elected council would be restored at the municipal general elections in 2012 — which is this year — at which time the administration would cease. Over recent months I have considered whether the council is ready for a return to elected representatives. I have sought advice from my department, which has provided detailed progress reports from the chair of the panel of administrators and independent analysis by two eminent persons, Mr Bill Scales and Mr Doug Owens.

Both Mr Scales and Mr Owens independently recommended an extension of the administration beyond 2012 on the basis that critical projects were yet to be completed and could be vulnerable to politicisation in local elections. Mr Scales also found that it would be desirable to allow further time for dysfunctional aspects of the local political culture to dissipate. I have carefully considered each of these reports. I have also considered a range of correspondence from Brimbank residents and ratepayers which strongly opposes the restoration of elected councillors in 2012, fearing a return of dysfunctional local politics. In addition to that, in making my decision I found that community satisfaction surveys have demonstrated a high level of support from the community on the progress that is being made at the council at the moment. Importantly, the community level of satisfaction with the council has improved considerably since 2009. I regard community confidence as an important factor because of the profound alienation of the Brimbank community from their council in the period leading up to 2009.

The cumulative weight of evidence has led me to conclude that it would be in the community and the public interest to extend the administration for a further period beyond 2012, and I have determined that this extension should be until early 2015. The bill proposed to be introduced into Parliament will postpone the 2012 election for Brimbank and provide for the administration to continue until a fresh election on the fourth Saturday of March 2015. While I acknowledge there will be some criticism of the postponement, I expect the bill will receive wide support as it provides the best foundation to restore effective and stable local government in Brimbank for the long term.

I also announced yesterday that there will be changes to the panel of administrators as part of the strategy to transition Brimbank from administration to elected councillors. From November 2012, Ms Meredith Sussex and Ms Joanne Anderson will step down from their respective positions. I would like to take this opportunity to thank Ms Sussex and Ms Anderson for their outstanding contribution over the past three years. Mr Peter Lewinsky is the chief administrator at the moment, and I would also like to put on record my strong support for him and for the exemplary work that he has done leading that community and for his stewardship of that community in very, very difficult times.

Mr Peter Lewinsky will remain on the panel, but from November 2012 he will step aside as chair. Mr John Watson, who has recently announced his impending retirement as executive director of Local Government Victoria from October, has accepted appointment to the chair position. John has been an outstanding senior officer in Local Government Victoria, holding the position of executive director since 2007. Prior to joining the state public service John had over 40 years experience working in Victorian local government, including as chief executive officer of the Shire of Bulla and the Moonee Valley and Hume city councils.

I look forward to the next stage in Brimbank council's development as it transitions to a full return of local democratic representation in March 2015. In the context of the state budget, the extension of administration at Brimbank has no budgetary impact. The cost of the panel of administrators is borne by Brimbank City Council and is closely comparable to the allowances that are paid to an elected council. As Minister for Local Government, I have not taken this decision lightly. Many know that whenever you are making decisions like this you do agonise over those decisions. However, I am confident that the extension of the administration will be in the best interests of the Brimbank community.

The CHAIR — Mr Morris actually asked the question in two parts in relation to other councils.

Ms HENNESSY — Mr Morris asked, 'What about Casey?'.

Mrs POWELL — There is no consideration being taken for any other council to go under administration. As you would appreciate and as I said earlier, the removal of any council is a step which must be taken with the utmost gravity and is taken obviously as a last resort. Local councils are recognised in our constitution as a

distinct and essential tier of government and are democratically elected to represent their communities. It is only in exceptional circumstances that a government will step in and suspend or dismiss a council and then only when there is evidence of a profoundly serious failure of local government. In such cases it is the government's duty to act to protect the local community. I must stress that such circumstances rarely arise. They do not include the normal stresses and strains of local democracy.

I will continue to use a range of measures at my disposal in relation to council performance. By way of example, I have appointed a monitor to the Ararat Rural City Council to monitor the performance and activities of that council, and I have commissioned a review of the finances of the Buloke Shire Council. With regard to any allegations of corruption, the government is setting up a comprehensive integrity framework, including an independent broadbased commission against corruption. This will have the power to investigate allegations of corrupt conduct by and within local councils.

Mr SCOTT — Because of the time, I will keep my question brief. In part it follows on from the question relating to the Green Light plan — the discontinuation. On budget paper 3, page 219, there is an output measure: 'Percentage of grant payments made against completion of milestone deliverables under funding agreement: environmental sustainability plans', and it has got a target of 100 per cent there. Under what circumstances would a grant payment be made to a council which did not meet the milestone deliverables specified in the funding agreement?

Mrs POWELL — The government has made a decision, as I said earlier, in difficult budgetary circumstances to defer the grant component in this budget at this time. Future funding for the Green Light program will be a matter for future budgets. There does actually remain a number of issues outstanding, such as complexities that are not yet resolved, and those are specifically around contestability in the market. They will have varied impacts on the effectiveness of this program. The projected cost of carbon abatement by the program is high and in some instances relative to other abatement schemes, and we are working on this part of the project. There is also uncertainty about the impact of the carbon tax. We need to assess the impact of the carbon tax on the price of providing street lighting services and see whether uptake of commonwealth-funded abatement programs deliver a sufficient level of savings to councils.

There are other emerging technologies, such as LED lighting, that may bring further reductions in electricity use. However, the technologies are still to be approved for use as street lighting. As I said, the grant allocation component of this program has in effect been deferred while these issues are resolved, and they will be a matter for future budgets. In the meantime, my department will work through regulatory issues that are faced by the sector and relate to their requirement to tender under the Local Government Act to ensure that councils get the best deal they can for electricity services.

Mr SCOTT — By way of follow-up, I am going to be honest: I do not think you directly addressed the issues, but I am happy to have that taken on notice — a response to the direct issue raised by the question in order to facilitate another question or two.

The CHAIR — Would you like to summarise the point?

Mr SCOTT — The original issue which I raised was under what circumstances would grant payments be made to a council which do not meet the milestone deliverables specified in the funding agreement which are related to that output performance measure. If that is taken on notice, that is fine.

The CHAIR — Do you wish to respond now or take it on notice?

Mrs POWELL — Regarding the performance measure in the budget papers, which is what you are talking about, the measure is in line with the government's approach to achieving its environmental and economic priorities. We need to ensure that any funds provided to local government are properly accounted for. We do this by only providing payment when agreed activities have been completed and delivered to the agreed standard. This will help keep the state-funded projects being undertaken by local government on time and on budget.

Mr ANGUS — Minister, I refer you to budget paper 3, pages 47 and 48, in relation to public library funding, and I note that you also mentioned that in passing in your presentation. Can you please provide to the committee

some information around libraries and library funding and additionally when the next round of capital funding is due?

Mrs POWELL — Yes, I can, and we are very proud of our libraries in Victoria. I note that more than half of the population are members of a library, so they are very well-used resources, and I think most communities rely heavily on the libraries that they have. But on the specific points that you make, the Victorian government provides strong support to local government in the delivery of library services for the Victorian community. I am pleased that \$17.2 million has been made available over four years through the Living Libraries infrastructure program. This is to improve library facilities in Victoria. We all know that well-located, well-designed and accessible libraries encourage community participation, which in turn brings strong, connected and active communities. The Living Libraries infrastructure program helps local government renew public library infrastructure, address gaps in service provision and meet the demands of the community.

I recently had the pleasure of announcing the successful projects from the first round of funding in the Living Libraries infrastructure program. This \$3.4 million round funded 10 projects, with the maximum grant available being increased from \$500 000 to \$750 000. Three projects, you will be happy to know, have received the maximum grant of \$750 000. Those three projects are a new library for Melton and major extensions of the Bendigo and Sunshine libraries. A range of other smaller projects were also funded, including a new mobile library in Southern Grampians to service remote communities and a new library building in Yackandandah. The second round of funding closed late last week, and I am looking forward to receiving the recommendations from the assessment panel.

I have had the opportunity to participate in the opening of a number of facilities funded under this program, including new library buildings in Pakenham and Euroa and new mobile library vehicles in Loddon and the Goulburn Valley. It is fantastic to see the contribution these projects are making to these communities and how well they are loved — through the creation of new jobs as well. Because of the new buildings and the extensions there is an opportunity for local tradespeople to be able to have new jobs.

The public library infrastructure program complements the recurrent operating support the government provides public libraries, so I am pleased to advise that the government will also be providing a total of \$36.8 million in recurrent library funding to councils, regional library corporations and Vision Australia in 2012–13 through the public libraries funding program. This amount includes an additional \$3.1 million in both 2012–13 and 2013–14 to ensure that library funding levels are sustained while a comprehensive review of Victorian library services and funding arrangements is undertaken. This delivers on the government's commitment to reinstate recurrent funding for public libraries.

The actual review is being led by a re-established ministerial advisory council, or a MAC, on public libraries, which for the first time is a bipartisan committee. It includes David Morris, chair, who is also the Parliamentary Secretary for Local Government, the member for Mornington and a member of this committee; Joanne Duncan, deputy chair, the member for Macedon; Peter Crisp, member for Mildura; and broad representation from local government and public libraries. I particularly thank Joanne Duncan for her work. She was the chair under the former government, and she has accepted to stay on as the deputy chair to afford continuation. I know she is enjoying her job.

The MAC has recently undertaken extensive consultation with councils and regional library corporations to hear firsthand the challenges and opportunities facing public libraries in Victoria. The MAC has also asked the committee for their views on public libraries. Public libraries are no longer just lending books; there are all sorts of things that public libraries have. They are meeting places. They have a lot of emerging technology. It is important that we hear from the communities what it is that they want from their libraries of the future, so the MAC has asked the community for their views. There have been 12 public events right around Victoria. There has been a website launched to ensure that everyone can have their say about what they think about their future libraries. While the closing date for submissions is not until the end of May I understand that already there have been more than 500 submissions to date.

The CHAIR — Thank you, Minister. Although we are a little over time I will take one final, short question in this portfolio before we move on to Aboriginal affairs.

Ms HENNESSY — Minister, just briefly I wanted to ask you a question about the abolition of the local government inspectorate. The IBAC, as you would be aware, will not have jurisdiction unless a councillor commits a serious indictable offence, so that would not pick up systemic behaviour at places like Casey and Glen Eira councils. You announced the abolition of the local government inspectorate. That is to be transferred to the Ombudsman's office. But about three weeks after you made that announcement the Ombudsman tabled a report recommending to you, in the full knowledge that he was about to take over jurisdiction of the LGI, that you establish an integrity commissioner for local government. Are you going to take the Ombudsman's advice?

The CHAIR — I am not quite sure that this forum is the right place to respond, but I will allow the minister her response.

Ms HENNESSY — Budget paper 3, page 361.

Mrs POWELL — The announcement about the inspectorate will streamline local government complaint management. Currently some matters go to the Ombudsman and others to the inspectorate. The intention is to effectively make the Ombudsman a single entry point for local government complaints. It is expected that complaints about corruption will be escalated to IBAC; other administrative and council issues will be handled by the Ombudsman.

To ensure continuity through to the October local government elections the inspectorate will continue to operate until the end of this year. Past experience has been that the lead-up to local government elections is likely to produce a spike in complaints and requests for investigations. The details relating to specific functions and arrangements are yet to be determined, so I am not in a position to comment, but I can say that the Local Government Investigations and Compliance Inspectorate will continue its good work in the interim, including responding to complaints in the context of local government general elections in October. The Recommendations by the Ombudsman are under consideration by the government as we work through the improvements.

Ms HENNESSY — So maybe an integrity commissioner.

The CHAIR — Thank you for your response, Minister. That brings us to the conclusion of questions on the local government portfolio, and I wish to thank Ms Jaquinot and Ms Pope for their attendance.

Witnesses withdrew.