

## LEGISLATIVE ASSEMBLY OF THE NORTHERN TERRITORY

### WRITTEN QUESTION

Mr Higgins to the Minister for Housing & Community Development:

#### **Strategic Local Government Infrastructure Fund (SLGIF)**

1. Please outline the evaluation plans for the projects/organisations allocated funding under the SLGIF.

The new SLGIF program commenced in 2017-18. All regional and shire councils are eligible to apply for funding. The funding criteria is provided in the response to question four.

The funds for approved projects in 2017-18 were paid to councils on their written acceptance of the grant funding conditions, which occurred from March 2018 onwards. Councils have two years from the receipt of funds to complete the funded projects, but are required to submit an acquittal on an annual basis.

The Department of Housing and Community Development will have its first opportunity to evaluate the progress of SLGIF funded projects when councils submit their first annual acquittals advising expenditure up to 30 June 2019.

2. From the answers to our Global Questions...why does there appear to be an under-spend by some Councils of funding from the Strategic Local Government Infrastructure Fund?

Of the \$5 million available under the SLGIF, a total of \$4.7 million in grants were approved and offered to councils in February 2018. As at 31 March 2018, 50 per cent of councils had formally accepted their grants, with one grant offer being contingent on a council securing other grant funding. As at 30 June 2018, the full \$4.7 million had been disbursed. The remaining \$297 000 that was not allocated under the SLGIF was utilised to support additional grants approved in the second round of the Local Government Special Purpose Grants to councils, which was approved in June 2018.

3. What are the processes in place to monitor Council spending of their grants under the SLGIF?

The SLGIF must be fully expended within two years of the receipt of funding. A failure to do so may result in the Department requesting that the funds be repaid.

Councils are required to acquit full or partial expenditure of the grant advising expenditure up to 30 June each year for a period of two years. The acquittal is also required to be laid before a council meeting and a copy of the minutes provided to the Department.

All approved projects are required to be procured in accordance with the *Local Government Act* and relevant Regulations.

The purpose for which grant funding is provided cannot be changed, however, minor changes to the approved projects may be approved by the Department on application.

Unspent or surplus funds remaining may be required to be returned to the Department. This will be considered on a case by case basis.

The Department reserves the right to request the full value of the grant to be returned if the council disposes of the asset within four years of the payment of the grant.

4. What is the governance structure for the fund?

The fund is administered through one application-based funding round each financial year, which typically opens in August.

The applications are assessed by a panel convened by the Department, consisting of representatives from the Department's regional offices and the Sustainability and Compliance unit. Representatives from other relevant Northern Territory Government agencies are also involved where they have expertise relevant to the projects under consideration.

The criteria for the evaluation of the merit of projects is outlined in the funding guidelines. These grant assessment criteria include:

- alignment to Northern Territory Government strategies and policies;
- alignment with priorities as outlined in councils' annual regional or shire plans;
- Local Authority/community endorsement of the benefits of the project;
- financial and/or in kind co-contributions to the project;
- regional equity of proposed projects; and

- the council's capacity for ongoing resourcing (where required), for example, the ability to provide repairs and maintenance.

Applications must also demonstrate that all previous grant funding has been satisfactorily acquitted and that the intended project will not duplicate funding already provided under this or any other funding program.

Once the assessment of all grants has been completed, recommendations for successful projects are then submitted to the Minister for Housing and Community Development for approval.