

FinPro Member Update – Edition 12, 2023

President's Message

A fresh couple of weeks – winter is certainly here.

I was told there was a real buzz in the room last Friday for our second PD day of 2023, with over 250 in attendance. Thanks to our members who were able to attend.! Our next in person catch up will be our conference, which is now only four months away 😊 from the 25-27 October.

Unfortunately, I was an apology last Friday, as I was in Canberra attending the Australian Council of Local Government. There was a lot of discussion about the challenges facing local government, however there was also an overwhelming feeling that the government does really value Local Government and wants to work in partnership. The program provided at the conference really demonstrated this as we heard from a number of key people.

The Prime Minister did make a number of announcements during his speeches ([Australian Council of Local Governments | Prime Minister of Australia \(pm.gov.au\)](https://www.pmc.gov.au/australian-council-of-local-governments)), and in particular you will now be aware via this week's announcement from the Grants Commission, that 100% of your 2023/24 Financial Assistance Grants will be paid early – prior to 30th June 2023.

Only 8 days left in the financial year – well hasn't that gone super-fast. I would argue it has probably been one of the most challenging from a financial perspective. The impact of staffing resources, interest rate rises, CPI rises, construction challenges, and housing shortages are felt in both our personal and professional lives.

I encourage you to reach out to your networks over the coming weeks, catch up for a coffee, debrief and chat about all the great things that we do in our lives!

I'm sure that some of you will take the chance to have a little bit of time off too over the next couple of weeks, with the school holidays – we hope you get to recharge the batteries.

Have a great weekend,



Bradley Thomas,
President FinPro and CEO Hepburn Shire

Membership News

Welcome to our new members:

Narelle Taylor has joined the team at Towong Shire as Director Corporate and Organisational Development,

Victor Goliath who has joined the team at the City of Greater Dandenong as Senior Financial Accountant, and

Bernadine Fonseka who has joined the team at Knox City Council.

Congratulations to member **Tess Douthwaite** on commencing your new role at Cardinia Shire as Manager Finance. Tess was previously at Bass Coast Shire.

FinPro Professional Development Day – Friday 16 June 2023 at MCEC

Our second Professional Development Day for the year was held last Friday, 16 June, at the Clarendon Auditorium, Melbourne Convention and Exhibition Centre. This in-person event promised valuable insights, engaging presentations, and ample networking opportunities for FinPro members and local government finance professionals – and it was delivered in spades.

With over 250 attendees, there was a real buzz in the room, and the full program offered a variety of topics to suit attendees.

Though not all speakers used presentation notes, those that did have generously shared their notes and they are available here for review and reflection.

Highlights of the seminar were:

- **Outstanding leadership in the public sector:** attendees gained insights from esteemed leader John Merritt on leadership in the public sector. (no presentation to share)
- **Prepare for the audit cycle with VAGO:** Travis Derricott, Sector Director at VAGO, provided guidance on navigating the audit process – [Presentation Slides – VAGO 16.6.23](#)
- **Services Victoria:** Learn about their role in government and how they aim to improve service offerings while reducing operating costs – [Presentation Slides – Service Victoria 16.6.23](#)
- **IT Systems Transformation Panel:** A great discussion with professionals who shared their experiences and insights on systems transformation projects – the good, the bad and the ugly – [Header Slides – IT Systems Transformation Panel Discussion 16.6.23](#)
- **Unlocking the potential of AI:** Anthony England, General Manager at Affinda, explored an introduction to AI, including the applications and benefits of Artificial Intelligence – [Presentation slides – Anthony England – An intro to AI 16.6.23](#)

A big thank-you to our Lunch-time Sponsors – [Payble Pty Ltd](#), and especially Elliott Donazzan, their Managing Director and Co-founder who attended and shared their story.



PaybleTM

Upcoming Event:

FinPro Conference – 25 – 27 October 2023 @ RACV Cape Schanck

EOI's closed this week for sponsorship of our 2023 Conference – [more information](#)

We are now finalizing these EOI's and will announce our sponsors and partners for the 2023 Conference soon. In the meantime we are working on an exciting program for our 2023 Conference.

If you have any program or speaker suggestions, please let us know – [Email gab](#) with your suggestion.

Technical Updates

Model Budget 2023-24 and Financial Statements 2022-23 available now

The following documents are [available at this link](#):

- Asset Plan Guidance 2022
- Financial Plan 2023-24 to 2032-33
- Model Budget 2023-24
- Model Financial Report 2022-23
- Annual Report Performance Reporting 2022-23
- Performance Reporting Framework 2022-23
- Performance Reporting Framework 2023-24

Thank-you to all the sector representatives that played an active role in preparing these documents. LGV launched the Models at the FinPro Seminar on Friday 24 February 2023. A copy of the presentation slides is [available here](#):

Local Government Performance Reporting Framework

We also note that LGV has provided councils with the Local Government Performance Reporting Framework. This was sent to all councils from knowyourcouncil@ecodev.vic.gov.au and covered:

- Updated ABS population estimates for 2022
- SEIFA 2021 released
- Submitting targets for 2023-24
- Registering for a review

If you have any questions about the information please contact the Local Government Performance Reporting Team – knowyourcouncil@ecodev.vic.gov.au

Ministerial Guidelines – Payments of Rates and Charges (including financial hardship provisions)

Caine Chandler, Rating Reform and Local Government Victoria has advised this week that “*The Ministerial Guidelines relating to Payment of Rates and Charges (which includes financial hardship provisions) are currently in development. Subject to Ministerial approval, we aim to have these released by the end of 2023*”.

Following the recent release of the Rating Regulations and the scramble to make Rate Notices compliant in such a short time, we have advocated, on behalf of members, that LGV provide advanced warning and advice regarding the expected hardship provisions in the proposed Guidelines.

When released, and as they are Guidelines, we would expect that each council would consider the changes and look to update/improve their existing hardship policies in a manner that allows proper consideration and, if applicable, appropriate consultation and engagement with their Council’s and ratepayers.

In the meantime, FinPro is continuing to engage with LGV around options for review and collaboration on the final version of these guidelines.

Financial Assistance Grants 2023-24 – Brought Forward Payment

In the last edition of the FinPro Member Update (Edition 11.2023) we included information from the VGC about indicative estimates for individual councils.

This information also said “The Federal Budget papers indicated that an ‘advanced payment’ of 75 per cent of the funding for 2023-24 under the Financial Assistance Grants Program will be made. The date for this early payment has not yet been determined.

This week (22.6.23) the Victorian Local Government Grants Commission issued the following circular – Circular 4 – 22 June 2023 and we share here for member information:

Financial Assistance Grants 2023-24 – Brought Forward Payment

The Commonwealth Government has advised that 100% of the estimated financial assistance grant allocations for 2023-24 will be brought forward and paid before the end of the current financial year.

This decision has been made by the Commonwealth Government. The Victorian Local Government Grants Commission has no role in the decision making around the timing of these payments.

The Commission has been advised by the Commonwealth that the payment of these funds to Victoria is scheduled to be made on 26 June 2023. We expect that the relevant funds will then be transferred from the Victorian Government to individual councils on the same day.

It should be noted that the brought forward payments for 2023-24 have been apportioned between councils by the Commonwealth based on the 2023-24 grant estimates. The payment to be made to your council will therefore be the same as the estimate provided to your council by the Commission on 29 May 2023.

Details of the payment to be made to your council, as determined by the Commonwealth, are attached.

The Commonwealth has also advised that there will be an ‘underpayment’ to be made in relation to the 2022-23 allocations of financial assistance grants. The underpayment will be made to councils in four equal quarterly instalments: mid-August and mid-November 2023, and mid-February and mid-May 2024. Further information about the amount of the underpayment for each council will be provided once details have been provided to the Commission.

Natural Disaster Assistance Payments

In Circular 3, distributed on 29 May 2023, the Commission advised that it intended to make changes to its practice of recommending specific payments to councils of up to \$35,000 in relation to natural disaster events.

It has since been brought to the Commission’s attention that funding has been provided in 2023-24 for Emergency Management Victoria to conduct a review of the Disaster Recovery Funding Arrangements (DRFA). As the DRFA form the basis for Natural Disaster Assistance payments, the Commission has agreed to defer the decision to no longer provide natural disaster assistance until the review of the DRFA is completed.

Further information regarding natural disaster assistance payments will be provided at the appropriate time.

Further Information

If you have any queries in relation to the matters raised in this circular, please contact Colin Morrison by email colin.morrison@dgs.vic.gov.au

John Watson, Chair Victorian Local Government Grants Commission

VAGO Local Government Status Report – June 2023

The VAGO Status report for June 2023 was distributed to councils on 14 June 2023 and is shared here for member information.

[Read the full report here](#)

Key areas of the report are:

- VAGO News
- VAGO Publications
- VAGO Annual Plan
- Planned performance audit engagements
- Ongoing performance audit engagements
- Financial audit
- Recently tabled reports
- Active governance matters, and
- Other integrity bodies

In distributing this information to councils, Travis Derricott, Sector Director, Financial Audit recommended that “Should anyone have a question regarding VAGO’s performance audit program, feel free to reach out to Natasha Goss the Acting Sector Director, Performance Audit. Natasha.Goss@audit.vic.gov.au

We also note the recent VAGO report – [Collecting State-based Tax Revenue](#) which is of value to read.

TCV Loan and Investment Rates as at 21 June 2023

	Fixed Rate (Interest Only)		Fixed Rate (Principal and Interest)*		Floating Rate (margin to BBSW)	
Maturity	Quarterly	Semi	Quarterly	Semi	Quarterly	Semi
1 year	4.7274	4.7523	4.7350	4.7800	0.1902	0.0543
3 year	4.5783	4.6012	4.6250	4.6500	0.3305	0.1941
5 year	4.5730	4.5958	4.5850	4.6050	0.4212	0.2985
7 year	4.7118	4.7362	4.6200	4.6450	0.5003	0.3963
10 year	5.0192	5.0471	4.7600	4.7900	0.7084	0.6245
12 year	5.1921	5.2220	4.8750	4.9100	0.8248	0.7499
15 year	5.3441	5.3759	5.0350	5.0700	0.9483	0.8724
11am (at Call)	4.4150				BBSW	
30 day	4.3150				1 Month	4.0950
60 day	4.4150				3 Month	4.2830
90 day	4.5050				6 Month	4.6039
180 day	4.8250					

TCV Investment rates

TCV note the current TCV 11am/At Call deposit rate has recently increased to 4.05%. The 11am deposit can be easily utilised for council’s daily working capital requirements. Instructions to invest/withdraw funds are requested prior to 3pm for transactions to be processed on the same day. We encourage councils to review the rates currently paid on their at-call accounts with their transactional bank and consider this facility to maximise returns on any surplus cash balances.

Cash	4.0500		4 Month	4.3850
1 Month	4.0850		5 Month	4.4850
2 Month	4.1818		6 Month	4.5939
3 Month	4.2730		1 Year	4.4273

These loan interest rates and margins are indicative only and current as at the time of calculation. The rates and margins indicated include the TCV administration fee of 0.115%, the DTF Guarantee Fee of 0.15% and Execution of 0.05%

*Fixed rate (Principal and Interest) assumes principal balance is reduced to zero over equal instalments until maturity.

Disclaimer

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General Information

Latest .id blog – Australia's population booms again with post-COVID migration surge

According to figures released by the ABS las week, Australia's population grew by record numbers in 2022 – [our largest population increase recorded increase a calendar year](#). This was driven largely by a surge in international migration. Today's blog breaks down the story by state and territory.

[Read more here](#)



Current jobs in the sector

[Unit Manager Finance](#) - Merri-bek City Council – Applications close 25.6.23

[Asset Management Specialist](#) – Hepburn Shire – Applications close 26 June 2023

[Procurement Officer](#) – Hepburn Shire – Applications close 3 July 2023

Thank-you to our 2022 FinPro Conference Sponsors

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