

## Question on Notice

No. 613

Asked on 10 September 2013

**MR MULHERIN** asked the Minister for Local Government, Community Recovery and Resilience (MR CRISAFULLI) –

QUESTION:

With reference to the 2012-13 budget which allocated \$148.5m in capital grants and the 2013-14 budget which shows that only \$90m was expended by 30 June 2013 –

What happened to the remainder of the funds and will the Minister account for this massive underspend?

ANSWER:

This Government is in the process of cleaning up the mess and backlog of grants that were left by the previous Government.

In the previous Government's 2011-12 Budget money was allocated under the Local Government Grants and Subsidies Program (LGGSP). The announcement of these projects occurred just prior to the 2012 election in March 2012.

This situation, combined with the delayed council elections, meant that only a small percentage of funds was spent in the Bligh Government's last financial year of 2011-12.

As a result of the timing of the state and local government elections, and due to the unprecedented financial situation the state budget was left in, the adoption of the 2012-13 Budget was delayed. Even with these delays, the allocation of grants under the LGGSP occurred before the end of 2012. The guidelines which applied to these grants allow two years for councils to complete the projects. This, combined with the impacts of Tropical Cyclone Oswald, has delayed the funds being spent.

In announcing the new round of funding for the LGGSP this financial year the guidelines were changed so that projects are to be completed in one year.

I will continue to work with councils to ensure projects are funded and delivered in a timely manner.